

V. Items for Discussion

a. Coper Bid Results

Frasier / Sharp Copier RFP

A. Why are you requesting the service/needs?

Why: ESASD’s current copier fleet (53 copiers) lease agreement expires on June 30, 2019.

Need: To provide copiers to fulfill the instructional and operational needs of the district.

Suggested replacement: Frasier/Sharp, as they are the incumbent and we had great success with their equipment and service during the current term, and they are also the lowest priced vendor, coming in at nearly \$60,000 less than the current agreement.

B. Cost Estimate: if over \$5,000, were 3 quotes obtained? If yes, please list the vendors and the amounts. Yes. Five vendors submitted bids. One bid was thrown out as they did not have a bid bond, consent of surety letter and non-collusion affidavit form signed.

	Vendor	Manufacturer	Lease of Equipment	Maintenance	Total
1.	Frasier	Sharp	\$90,703.59	\$65,438.92	\$156,142.51
2.	Topp	Konica Minolta	\$121,818.69	\$89,055.92	\$210,874.61
3.	Edwards	Konica Minolta	\$142,339.04	\$81,366.32	\$223,705.36
4.	Xerox	Xerox	\$158,302.75	\$83,709.29	\$242,012.04
5.	Flo-Tech	Canon & HP			

C. Procurement Method:

- RFP

D. Funds account to be charged for Procurement (Was this purchase budgeted?)

- Yes
- Fund 10
- Accounts – various depending on where copier is located (school/office area)
#10-1110-438’s, 10-1110-448’s, 10-2380-438’s, 10-2380-448’s, 10-2844-438’s, 10-2844-448’s, 10-2620-438’s, 10-2620-448’s.

E. Selection of winning proposal

- Was the lowest price selected? If not, explain the why and the process of selecting the vendor. **YES**

F. Other

By selecting Frasier/Sharp, the district will realize a savings of nearly \$60,000 annually over the current lease agreement, a \$142,000 savings over the 2015-16 copier lease, and a \$412,000 savings over copier costs from 2009-2010.

2019 Copier RFP Results

<u>Vendor</u>	<u>Manufacturer</u>	<u>Lease of Equipment</u>	<u>Maintenance</u>	<u>Total</u>	<u>Bid Bond</u>	<u>Consent of Surety</u>	<u>Non-Collusion Affidavit</u>
1 Frasier	Sharp	\$90,703.59	\$65,438.92	\$156,142.51	Yes	Yes	Yes
2 Topp	Konica Minolta	\$121,818.69	\$89,055.92	\$210,874.61	Yes	Yes	Yes
3 Edwards	Konica Minolta	\$142,339.04	\$81,366.32	\$223,705.36	Yes	Yes	Yes
4 Xerox	Xerox	\$158,302.75	\$83,709.29	\$242,012.04	Yes	Yes	Yes
5 Flo-Tech	Canon & HP	-	-	-	No	No	No

Compiled by: Brian J. Borosh
January 28, 2019

Copier Bids

The districts' lease of its current copier fleet expires on June 30, 2019. On December 19, 2018 the district issued an RFP for its fleet of fifty-three copiers. Five vendors provided proposals, which are attached, and were opened during a public bid opening on Monday, January 29 at 1:15pm. The incumbent, Frasier, provided the lowest price with a Sharp copier solution and they are recommended for your consideration for approval.

Historical Copier Information

2009-2010 – ESASD paid \$568,318 for its Xerox copier fleet (approximately 70 copiers)

Since then, the district looked for efficiencies in copiers such as reducing the fleet, right sizing copiers, reducing the number of copies made, etc. The cost of district copying has gone down greatly the last several years:

Year	Cost	# of Copies	Copy Rates (per page)	Vendor/Make
2014-2015	\$293,433.56	23,743,054	b/w: .0039/.0079 color: .065	Topp/Canon
2015-2016	\$298,369.41	24,432,767	b/w: .0039/.0079 color: .065	Topp/Canon
2016-2017	\$221,148.98	24,108,240	b/w: .0035 color: .042	Frasier/Sharp
2017-2018	\$214,537.05	21,646,432	b/w: .0035 color: .042	Frasier/Sharp
2018-2019	\$216,289.66	22,097,225	b/w: .0035 color: .042	Frasier/Sharp
2019-2020* (proposed)	\$156,142.51	22,081,640 (estimated)	b/w: .002799 color: .0344	Frasier/Sharp

PRIMARY CONFIGURATION

Building	Sharp Model	Building	Location	Annual Lease Amount	Cost Per Copy	Actual Copies 17-18 sy	Maintenance Amt	2019-20 Total*	
	Account Number to Budget In →			(448)			(438)	(=F+I)	
Administration	MX-M1055	Admin	Mailroom	2,456.49	0.002799	269,219	753.54	3,210.03	
	MX-M7570	Admin	Special Ed	1,468.36	0.002799	129,899	363.59	1,831.95	
	MX-5070V	Admin	Business Office (B/W)		0.002799	32,420	90.74	2,091.58	
			COLOR	1,034.30	0.0344	28,097	966.54		
	MX-M3570	Admin	Human Resources	731.10	0.002799	53,380	149.41	880.51	
	MX-M3570	Admin	Food Services / Athletics	731.10	0.002799	7,350	20.57	751.67	
	MX-M3570	Admin	Transportation	731.10	0.002799	52,568	147.14	878.24	
	MX-M3570	Admin	Child Accounting	731.10	0.002799	42,996	120.35	851.45	
	MX-5070V	Admin	Superintendent's Office		0.002799	56,319	157.64	2,176.46	
			COLOR	1,034.30	0.0344	28,620	984.53		
Bushkill Elementary			Building Annual Lease Total	8,917.85	Maintenance Cost Total:		3,754.04	12,671.89	
	MX-5070V	Bushkill	Main Office (B/W)		0.002799	101,886	285.18	2,121.03	
			COLOR	1,034.30	0.0344	23,301	801.55		
	MX-M1055	Bushkill	Faculty Rm	2,456.49	0.002799	633,515	1,773.21	4,229.70	
	MX-M1055	Bushkill	Faculty Rm	2,456.49	0.002799	736,839	2,062.41	4,518.90	
			Building Annual Lease Total	5,947.28	Maintenance Cost Total:		4,922.35	10,869.63	
	High School North	MX-M7570	HS-North	Main Office	1,468.36	0.002799	242,813	679.63	2,147.99
		MX-3070V	HS-North	Main Office (HSN/LIS) b/w		0.002799	13,596	38.06	1,873.58
				COLOR	634.00	0.0344	34,928	1,201.52	
		MX-M7570	HS-North	Guidance	1,468.36	0.002799	170,347	476.80	1,945.16
MX-M1055		HS-North	Faculty Rm - 2nd Floor	2,456.49	0.002799	708,074	1,981.90	4,438.39	
MX-M1055		HS-North	Faculty Rm - 3rd Floor	2,456.49	0.002799	500,418	1,400.67	3,857.16	
MX-M1055		HS-North	Library WKrm	2,456.49	0.002799	651,425	1,823.34	4,279.83	
MX-M2630		HS-North	Café	552.78	0.002799	11,735	32.85	585.63	
MX-M2630		HS-North	Athletic Office	552.78	0.002799	25,438	71.20	623.98	
MX-M2630		HS-North	Receiving	552.78	0.002799	2,722	7.62	560.40	
		Building Annual Lease Total	12,598.53	Maintenance Cost Total:		7,713.59	20,312.12		
High School South	MX-M7570	HS-South	Main Office/Guidance	1,468.36	0.002799	343,096	960.33	2,428.69	
	MX-M1055	HS-South	Library Hall	2,456.49	0.002799	1,174,866	3,288.45	5,744.94	
	MX-M1055	HS-South	Library Hall	2,456.49	0.002799	1,009,820	2,826.49	5,282.98	
	MX-M1055	HS-South	2nd Fl Maple Wing	2,456.49	0.002799	667,549	1,868.47	4,324.96	
	MX-M1055	HS-South	3rd Fl Maple Wing	2,456.49	0.002799	673,405	1,884.86	4,341.35	
	MX-M3570	HS-South	Athletics	731.10	0.002799	47,564	133.13	864.23	
	MX-M2630	HS-South	Café	552.78	0.002799	15,305	42.84	595.62	
	MX-M2630	HS-South	Receiving	552.78	0.002799	2,971	8.32	561.10	
			Building Annual Lease Total	13,130.98	Maintenance Cost Total:		11,012.88	24,143.86	
	J.T Lambert								

Compiled by: Brian J. Borosh
October 30th, 2018



Fraser Partnership Plan Agreement

APPLICATION NO.

AGREEMENT NO.

320 Penn Avenue • West Reading, PA 19611 • Phone: 610.378.0101 • Fax: 610.375.4329

The words User, Lessee, you and your refer to Customer. The words Owner, Lessor, we, us and our refer to Fraser Advanced Information Systems.

CUSTOMER INFORMATION

Form with fields for FULL LEGAL NAME, STREET ADDRESS, CITY, STATE, ZIP, PHONE, FAX, BILLING NAME, BILLING STREET ADDRESS, CITY, STATE, ZIP, E-MAIL, and EQUIPMENT LOCATION.

EQUIPMENT DESCRIPTION

Table with columns for MAKE/MODEL/ACCESSORIES, SERIAL NO., and STARTING METER. Includes text 'See Attachment A'.

See the attached Schedule A See the attached Billing Schedule

TERM AND PAYMENT SCHEDULE

Form with fields for number of payments, amount, B&W Copies per month, Color Copies per month, and overages billed quarterly.

THIS IS A NONCANCELABLE / IRREVOCABLE AGREEMENT; THIS AGREEMENT CANNOT BE CANCELED OR TERMINATED.

OWNER ACCEPTANCE

Form for owner acceptance with fields for SIGNATURE, TITLE, and DATED.

CUSTOMER ACCEPTANCE

Form for customer acceptance with fields for SIGNATURE, TITLE, and DATED.

FEDERAL TAX I.D. # PRINT NAME

ACCEPTANCE OF DELIVERY

Form for acceptance of delivery with fields for SIGNATURE, TITLE, and DATE OF DELIVERY.

1. **AGREEMENT:** For business purposes only, you agree to rent from us the goods, together with all replacements, parts, repairs, additions, and accessions incorporated therein or attached thereto and any and all proceeds of the foregoing, including, without limitation, insurance recoveries (the "Equipment") and/or to finance certain licensed software and services ("Financed Items", which are included in the word "Equipment" unless separately stated), all as described on page 1 of this Agreement, excluding equipment marked as not financed under this Agreement, as it may be supplemented from time to time. You agree to all of the terms and conditions contained in this Agreement and any supplement, which (with the acceptance certification) is the entire agreement regarding the Equipment ("Agreement") and which supersedes any purchase order or invoice. You authorize us to correct or insert missing Equipment identification information and to make corrections to your proper legal name and address. This Agreement becomes valid upon execution by us. This Agreement will start on the date that we pay the supplier or any later date that we designate. ~~You agree to pay interim rent in an amount equal to 1/30th of the Payment multiplied by the number of days between equipment delivery and the Agreement start date. Unless otherwise stated in an addendum hereto, this Agreement will renew for 12-month term(s) unless you send us written notice between 90 and 150 days (before the end of any term) that you want to return the Equipment.~~ If any provision of this Agreement is declared unenforceable in any jurisdiction, the other provisions herein shall remain in full force and effect in that jurisdiction and all others. This agreement may be cancelled by either party upon 120 days written notice. Should the agreement be cancelled, you would be reimbursed the unused portion of the 12 month advance lease payment less the 120 day notification period lease amount

Annual in Advance

2. **RENT, TAXES AND FEES:** You will pay the monthly Payment (as-adjusted) when due, plus any applicable sales, use and property taxes. ~~The base Payment will be adjusted proportionately upward or downward: (1) by up to 10% to accommodate changes in the actual Equipment cost; (2) if the shipping charges or taxes differ from the estimate given to you; and (3) to comply with the tax laws of the state in which the Equipment is located.~~ If we pay any taxes, insurance or other expenses that you owe hereunder, you agree to reimburse us when we request and to pay us a processing fee for each expense or charge we pay on your behalf. ~~We may charge you for any filing fees required by the Uniform Commercial Code (UCC) or other laws, which fees vary state to state. By the date the first Payment is due, you agree to pay us an origination fee of up to \$100.00, as shown on our invoice or addendum, to cover us for all closing costs. We will have the right to apply all sums, received from you, to any amounts due and owed to us under the terms of this Agreement. If for any reason your check is returned for nonpayment, you will pay us a bad check charge of \$30 or, if less, the maximum charge allowed by law. We may make a profit on any fees, estimated tax payments and other charges paid under this Agreement.~~

3. **MAINTENANCE AND LOCATION OF EQUIPMENT; SECURITY INTEREST:** At your expense, you agree to keep the Equipment: (1) in good repair, condition and working order, in compliance with applicable manufacturers' and regulatory standards; (2) free and clear of all liens and claims; and (3) only at your address shown on page 1, and you agree not to move it unless we agree. As long as you have given us the written notice as required in paragraph 1 prior to the expiration or termination of this Agreement's term, you will return all but not less than all of the Equipment and all related manuals and use and maintenance records to a location we specify, at your expense, in retail re-saleable condition, full working order and complete repair. You are solely responsible for removing any data that may reside in the Equipment you return, including but not limited to hard drives, disk drives or any other form of memory. You grant us a security interest in the Equipment to secure all amounts you owe us under any agreement with us, and you authorize us to file a financing statement (UCC-1). You will not change your state of organization, headquarters or residence without providing prior written notice to us so that we may amend or file a new UCC-1. You will notify us within 30 days if your state of organization revokes or terminates your existence.

4. **COLLATERAL PROTECTION; INSURANCE; INDEMNITY; LOSS OR DAMAGE:** You agree (a) to keep the Equipment fully insured through a carrier acceptable to us against loss in an amount not less than the original cost of the Equipment, with us named as lender's loss payee; (b) to maintain comprehensive public liability insurance acceptable to us and to include us as additional insured on the policy; (c) to provide proof of insurance satisfactory to us no later than thirty (30) days following the start of this Agreement and thereafter upon our written request and to provide us with 10 days advance written notice of any modification or cancellation of your insurance policy(s); (d) if you fail to obtain and maintain property loss insurance satisfactory to us and/or you fail to provide proof of such insurance to us within thirty (30) days of the start of this Agreement, we have the option, but not the obligation, to do as provided in either (A) or (B) as follows, of the following paragraphs as determined in our discretion: (A) We may secure property loss insurance on the Equipment from a carrier of our choosing in such forms and amounts as we deem reasonable to protect our interests. If we place insurance on the Equipment, we will not name you as an insured and your interests may not be fully protected. If we secure insurance on the Equipment, you will pay us an insurance charge, which will include reimbursement of the premiums advanced by us, our processing fee, and a finance charge of up to 18% (or the maximum rate allowed by law if less) and which may be higher than the amount that you would pay if you placed the insurance independently and may result in a profit to us through an investment in reinsurance or otherwise. Any insurance proceeds received will be applied, at our option, (i) to repair, restore or replace the Equipment, or (ii) to pay us the remaining balance of the Agreement plus our estimated residual value, both discounted at 2% per year, provided we elect to apply this Subsection A. (B) We may charge you a monthly property damage surcharge of up to .0035 of the Equipment cost as a result of our credit risk and administrative and other costs, as would be further described on a letter from us to you. We may make a profit on this program. **NOTHING IN THIS PARAGRAPH WILL RELIEVE YOU OF RESPONSIBILITY FOR LIABILITY INSURANCE ON THE EQUIPMENT.** We are not responsible for, and you agree to hold us harmless and reimburse us for and to defend on our behalf against, any claim for any loss, expense, liability or injury caused by or in any way related to delivery, installation, possession, ownership, use, condition, inspection, removal, return or storage of the Equipment. You are responsible for the risk of loss or for any destruction of or damage to the Equipment. You agree to promptly notify us in writing of any loss or damage. If the Equipment is destroyed and we have not otherwise agreed in writing, you will pay to us the unpaid balance of this Agreement, including any future rent to the end of the term plus the anticipated residual value of the Equipment (both discounted at 2%). Any proceeds of insurance will be paid to us and credited, at our option, against any loss or damage. ~~You authorize us to sign on your behalf and appoint us as your attorney-in-fact to endorse in your name any insurance drafts or checks issued due to loss or damage to the Equipment.~~ All indemnities will survive the expiration or termination of this Agreement.

5. **ASSIGNMENT: YOU HAVE NO RIGHT TO SELL, TRANSFER, ASSIGN OR SUBLEASE THE EQUIPMENT OR THIS AGREEMENT,** without our prior written consent. You shall provide us with written notice prior to you reorganizing or merging with any other entity or transferring all or a substantial part of your ownership interests or assets. We may sell, assign, or transfer this Agreement without notice. You agree that if we sell, assign or transfer this Agreement, our assignee will have the same rights and benefits that we have now and will not have to perform any of our obligations. You agree that the new Owner will not be subject to any claims, defenses, or offsets that you may have against us. You shall cooperate with us in executing any documentation reasonably required by us or our assignee to effectuate any such assignment. This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns.

*payments earned up to time of default and provide us necessary access to recover our equipment **to the extent that we are successful in receiving a recovery judgement

6. **DEFAULT AND REMEDIES:** You will be in default if: (a) you do not pay any Payment or other sum due to us or any other person when due or if you fail to perform in accordance with the covenants, terms and conditions of this Agreement or any other agreement with us or any of our affiliates or any material agreement with any other lender, (b) you make or have made any false statement or misrepresentation to us, (c) you or any guarantor dies, dissolves or terminates existence, (d) there has been a material adverse change in your or any guarantor's financial, business or operating condition, or (e) any guarantor defaults under any guaranty for this Agreement. If any part of a Payment is more than 5 days late, you agree to pay a late charge of 10% of the Payment which is late or if less, the maximum charge allowed by law. If you are ever in default, at our option, we can terminate this Agreement and require that you pay the unpaid balance of this Agreement, including any future Payments to the end of the term plus the anticipated residual value of the Equipment (both discounted at 2%). We may recover default interest on any unpaid amount at the rate of 12% per year. Concurrently and cumulatively, we may also use any or all of the remedies available to us under Articles 2A and 9 of the UCC and any other law, including requiring that you: (1) return the Equipment to us to a location we specify; and (2) immediately stop using any Financed Items. In addition, we will have the right, immediately and without notice or other action, to set-off against any of your liabilities to us any money, including depository account balances, owed by us to you, whether or not due. In the event of any dispute or enforcement of rights under this Agreement or any related agreement, you agree to pay our reasonable attorney's fees (including any incurred before or at trial, on appeal or in any other proceeding), actual court costs and any other collection costs, including any collection agency fee. If we have to take possession of the Equipment, you agree to pay the costs of repossession, moving, storage, repair and sale. The net proceeds of the sale of any Equipment will be credited against what you owe us under this Agreement. ~~YOU AGREE THAT WE WILL NOT BE RESPONSIBLE TO PAY YOU ANY CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES FOR ANY DEFAULT, ACT OR OMISSION BY ANYONE.~~ Any delay or failure to enforce our rights under this Agreement will not prevent us from enforcing any rights at a later time. You agree that this Agreement is a "Finance Lease" as defined by Article 2A of the UCC and your rights and remedies are governed exclusively by this Agreement. You waive all rights under sections 2A-508 through 522 of the UCC. If interest is charged or collected in excess of the maximum lawful rate, we will not be subject to any penalties.

7. **INSPECTIONS AND REPORTS:** We will have the right, at any reasonable time, to inspect the Equipment and any documents relating to its use, maintenance and repair. Within 30 days after our request, you will deliver all requested information (including tax returns) which we deem reasonably necessary to determine your current financial condition and faithful performance of the terms hereof.

8. **USA PATRIOT ACT NOTICE; FAXED OR SCANNED DOCUMENTS; MISC.:** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each customer who opens an account. When you enter into a transaction with us, we ask for your business name, address and other information that will allow us to identify you. We may also ask to see other documents that substantiate your business identity. You agree to submit the original duly-signed documents to us within 5 business days of the facsimile or scanned transmission of the documents. The original of this Agreement shall be the counterpart which bears your facsimile or original signature, and which bears our original signature. You agree to execute any further documents that we may request to carry out the intents and purposes of this Agreement. All notices shall be mailed or delivered by facsimile transmission or overnight courier to the respective parties at the addresses shown on this Agreement or such other address as a party may provide in writing from time to time. ~~By providing any telephone number, new or in the future, for a cell phone or other wireless device, you are expressly consenting to receiving communications, regardless of their purpose, at that number, including, but not limited to, prerecorded or artificial voice message calls, text messages, and calls made by an automatic dialing system from us and our affiliates and agents. These calls and messages may incur access fees from your provider.~~

9. **WARRANTY DISCLAIMERS:** YOU AGREE THAT YOU HAVE SELECTED THE SUPPLIER AND EACH ITEM OF EQUIPMENT BASED UPON YOUR OWN JUDGMENT AND YOU DISCLAIM ANY RELIANCE UPON ANY STATEMENTS OR REPRESENTATIONS MADE BY US. WE DO NOT TAKE RESPONSIBILITY FOR THE INSTALLATION OR PERFORMANCE OF THE EQUIPMENT. THE SUPPLIER IS NOT AN AGENT OF OURS AND WE ARE NOT AN AGENT OF THE SUPPLIER, AND NOTHING THE SUPPLIER STATES OR DOES CAN AFFECT YOUR OBLIGATION UNDER THIS AGREEMENT. YOU WILL CONTINUE TO MAKE ALL PAYMENTS UNDER THIS AGREEMENT REGARDLESS OF ANY CLAIM OR COMPLAINT AGAINST ANY SUPPLIER, LICENSOR OR MANUFACTURER, AND ANY FAILURE OF A SERVICE PROVIDER TO PROVIDE SERVICES WILL NOT EXCUSE YOUR OBLIGATIONS TO US UNDER THIS AGREEMENT. WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, OF, AND TAKE ABSOLUTELY NO RESPONSIBILITY FOR, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, CONDITION, QUALITY, ADEQUACY, INFRINGEMENT, TITLE, DATA ACCURACY, SYSTEM INTEGRATION, FUNCTION, DEFECTS, OR ANY OTHER ISSUE IN REGARD TO THE EQUIPMENT, ANY ASSOCIATED SOFTWARE AND ANY FINANCED ITEMS.

10. **LAW, JURY WAIVER:** ~~Agreements, promises and commitments made by Owner, concerning loans and other credit extensions must be in writing, express consideration and be signed by Owner to be enforceable. This Agreement may be modified only by written agreement and not by course of performance. This Agreement will be governed by and construed in accordance with the law of the state of the principal place of business of Owner (or if this Agreement is assigned, the law of the state of its assignee's principal place of business). You consent to jurisdiction and venue of any state or federal court in the state the Owner or its assignee has its principal place of business and waive the defense of inconvenient forum.~~ For any action arising out of or relating to this Agreement or the Equipment, YOU AND WE WAIVE ALL RIGHTS TO A TRIAL BY JURY.

11. **MAINTENANCE AND SUPPLIES:** Unless waived by you by initiating in the space provided on page 1, the charges established by this Agreement include payment for the use of the Equipment, accessories, maintenance (during normal business hours); inspection, adjustment, parts replacement, drums, cleaning material required for proper operation, as well as black toner and developer. Paper must be separately purchased by you. If necessary, the maintenance and supply portion of this Agreement may be assigned by us. To provide maximum operation of your Equipment, Fraser Advanced Information Systems will inventory, at your location, toner cartridges and supplies for each piece of Equipment. Inventory toner cartridges and supplies are the property of Fraser Advanced Information Systems and must be returned at the conclusion of the Agreement. You agree that failure to return any toner cartridge shall result in a CPC charge in the full yield of each unreturned cartridge. We may charge you a supply freight fee to cover our costs of shipping supplies to you.

12. **OVERAGES AND COST ADJUSTMENTS:** You agree to comply with our billing procedures including, but not limited to, providing us with periodic meter readings on the Equipment. ~~At the end of the first 12 months after commencement of this Agreement, and once each successive 12-month period thereafter, we may increase the Payment and the "cost per copy" charge that exceeds the number of copies originally designated in this Agreement ("Overages") by a maximum of 15% of the existing "cost per copy" charge. You authorize Fraser Advanced Information Systems to install meter reading software (including any updates, patches or replacement software) on one or more of your workstations that are connected to the network in which the Equipment is connected so that meter reads can be retrieved from the Equipment and transmitted electronically.~~

13. **UPGRADE AND DOWNGRADE PROVISION:** AFTER COMMENCEMENT OF THE AGREEMENT AND UPON YOUR WRITTEN REQUEST, AT OUR SOLE DISCRETION, WE MAY REVIEW YOUR COPY VOLUME AND PROPOSE OPTIONS FOR UPGRADING OR DOWNGRADING THE EQUIPMENT TO ACCOMMODATE YOUR BUSINESS NEEDS.

V. Items for Discussion

b. PEPPM eRate Mini Bid Results

Cisco Networking Switches

A. Why are you requesting the service/needs?

Why: We are requesting Cisco Networking switches to support the additional surveillance cameras we will be installing in the next several months

Need: To provide PoE (power over ethernet) to additional security cameras we will be installing in the upcoming months.

Suggested replacement: Cisco as indicated on the attached quote.

B. Cost Estimate: if over \$5,000, were 3 quotes obtained? If yes, please list the vendors and the amounts. No. Two bids were received.

- ePlus / Cisco - \$101,210.35
- IntegraOne / HP-Aruba - \$67,999
- NOTE: We would be filing for eRate reimbursement on this purchase and the district's share would only be 20% of the total cost.

C. Procurement Method:

- Mini-Bid through PEPPM. Twenty vendors that sell network switches were contacted. Two responded: ePlus and IntegraOne.

D. Funds account to be charged for Procurement (Was this purchase budgeted?)

- Yes
- Fund 10
- Account #10-2844-650-000-000-006-000-0600

E. Selection of winning proposal

- No. The lowest price was for the HP Aruba switches that are not compatible with our current district network infrastructure.
 - 1) We use Cisco VLAN Trunking Protocol (VTP) to eliminate unneeded VLANs from broadcasting across a buildings infrastructure. If the switch needs the voice VLAN or the HVAC VLAN it works with the upstream switches to get access to it. This acts automatically. The alternative is to statically set the upstream VLANs on each switch. If we do that, we will lose the flexibility of the current design and cause more traffic than the lines were designed to support.
 - 2) We did not budget for buying new 10G SFP+ modules. We have some current ones that will work with the Cisco models in locations where we plan to swap out/replace a switch.

- 3) Cisco Emergency Responder works with switches to ensure that the target gives the right information to 911 call centers when a 911 call is placed from our Cisco phone system. The list of approved switches is:
https://www.cisco.com/c/en/us/td/docs/voice_ip_comm/cer/11_0/english/release_notes/guide/CER_BK_CB617878_00_cisco-emergency-responder-1101-release.html#CER_CN_S4DDAF18_00. Furthermore, the SNMP OIDS they are accessing are CISCO-PRODUCTS-MIB. Aruba doesn't list being compatible with this MIB.

F. Other

NOTE: We would be filing for eRate reimbursement on this purchase and the district's share would be 20% of the total cost.

Cisco Switch PEPPM Mini Bid

<u>Equipment Description</u>	<u>Part#</u>	<u>Quantity</u>	<u>MSRP</u>	<u>PEPPM</u>	<u>eRate Mini Bid</u>
Cisco Catalyst 9200 48-port PoE+ Switch	C9200-48P-EDU	8	\$51,760	\$29,891.44	\$23,809.60
Csico C9200 Network Advantage, 48-port switch license	C9200-NW-A-48-EDU	8	21200	12243.04	9752
Cisco Catalyst 9200 4 x 10G Network Module	C9200-NM-4X	8	16000	9240	7360
Cisco Catalyst 9200 and 9200L Stack Module	C9200-STACK-KIT	8	10500	6063.76	4830
Cisco Config 5 Secondary Power Supply	PWR-C5-1KWAC	7	22050	12733.91	10143
Cisco Catalyst 9200L 48-port PoE+ switch w/ 4x10G uplinks	C9200L-48P-4X-EDU	9	65475	37811.79	30118.5
Cisco Catalyst 9200L Stack Module	C9200L-STACK-KIT	7	9187.5	5305.79	4226.25
Cisco C9200L Network Advantage, 48-port switch license	C9200L-NW-A-48-EDU	9	23850	13773.42	10971
Grand Total			\$220,023	\$127,063.15	\$101,210.35
eRate Discount			\$176,018	\$101,650.52	\$80,968.28
District Share			\$44,005	\$25,412.63	\$20,242.07

Quote Name:



Quotation

Bill To
 EAST STROUDSBURG AREA SCHOOL D
 50 VINE STREET
 EAST STROUDSBURG PA 18301
 UNITED STATES
 ATTN: ACCOUNTS PAYABLE

Ship To
 EAST STROUDSBURG AREA SCHOOL D
 UNITED STATES

Quotation #: 22309633
 Order #:
 Quotation Date: 01/24/2019
 Expiration Date: 02/23/2019
 Client Reference:
 Account Rep: PATRICK RUCKER

At the request of many E-rate eligible entities, ePlus has been entering the eligibility percentages for requested products. This is purely an effort to assist schools and libraries in completing a portion of the required paperwork relating to the products and prices being proposed by ePlus in response to an RFP proposal. Product and maintenance eligibility information must be reviewed and confirmed by the school for not only accuracy and completeness, but also with regard to the actual products, prices, and total quantities for which it would like to submit for E-rate funding. Eligibility stated is based on product functionality, as indicated in the Funding Year 2019 Eligible Services List. Additional guidance from USAC about the E-rate eligible services is available at USAC's website at usac.org/si/. Final determination of eligibility is provided by USAC during the application process. ePlus makes no guarantees or representations as to the completeness or accuracy of the information provided or regarding E-rate eligibility of any product or service.

Notes:

ePlus works with our customers to follow either a BEAR or discount billing process for their E-rate eligible purchases. All E-rate approvals for the specific items being purchased through the program must be in place before we will process an order leveraging discount billing (SPI). For the BEAR process, process an order to ePlus under standard net terms for the entire amount and file a BEAR upon potential future approval by E-rate. If making a purchase prior to E-rate approval (via purchase order using standard net terms), that purchase is not returnable or cancellable in the event E-rate funding is not awarded. This proposal is valid for E-rate Funding Year 2019 with contract term dates of 04/01/2019 - 09/30/2020. In order for customers to leverage E-rate-based pricing from most manufacturers, the customer must select ePlus (SPIN 143006553) on their E-rate Form 471, prior to the processing of an order.

**The K-12 Education Product families are a limited set of combined products and services placed under the Education Header on the Global Price List (GPL). These products include a new version of Enhanced Limited Lifetime Warranty (ELLW) that expands TAC support from 90 days to three (3) years as a part of a standard warranty, and they carry an "EDU" prefix.

Line No.	Quantity	Part Number	MFG	Description	Unit Price	Ext Price
Bushkill Elementary School						
001	1	C9200-48P-EDU	CISCO	CATALYST 9200 48-PORT POE+ ONLY, K12	2,976.20	2,976.20
002	1	C9200-NM-4X	CISCO	CATALYST 9200 4 X 10G NETWORK MODULE	920.00	920.00
003	1	C9200-NW-A-48-EDU	CISCO	C9200 NETWORK ADVANTAGE, 48-PORT LICENSE K12	1,219.00	1,219.00
004	1	C9200-STACK-KIT	CISCO	CATALYST 9200 AND 9200L STACK MODULE	603.75	603.75
005	1	PWR-C5-1KWAC/2	CISCO	1KW AC CONFIG 5 P/S SECONDARY P/S	1,449.00	1,449.00
Sub-Total (USD)						7,167.95

Resica Elementary School						
006	1	C9200-48P-EDU	CISCO	CATALYST 9200 48-PORT POE+ ONLY, K12	2,976.20	2,976.20
007	1	C9200-NM-4X	CISCO	CATALYST 9200 4 X 10G NETWORK MODULE	920.00	920.00
008	1	C9200-NW-A-48-EDU	CISCO	C9200 NETWORK ADVANTAGE, 48-PORT LICENSE K12	1,219.00	1,219.00
009	1	C9200-STACK-KIT	CISCO	CATALYST 9200 AND 9200L STACK MODULE	603.75	603.75
010	1	PWR-C5-1KWAC/2	CISCO	1KW AC CONFIG 5 P/S SECONDARY P/S	1,449.00	1,449.00
					Sub-Total (USD) 7,167.95	
J. T. Lambert Intermediate School						
011	1	C9200L-48P-4X-EDU	CISCO	CATALYST 9200L 48-PORT POE+ ONLY, 4X10G UPLINKS, K12	3,346.50	3,346.50
012	1	C9200-NW-A-48-EDU	CISCO	C9200 NETWORK ADVANTAGE, 48-PORT LICENSE K12	1,219.00	1,219.00
013	1	C9200L-STACK-KIT	CISCO	CATALYST 9200L STACK MOD	603.75	603.75
014	1	PWR-C5-1KWAC/2	CISCO	1KW AC CONFIG 5 P/S SECONDARY P/S	1,449.00	1,449.00
					Sub-Total (USD) 6,618.25	
Lehman Intermediate School						
015	2	C9200L-48P-4X-EDU	CISCO	CATALYST 9200L 48-PORT POE+ ONLY, 4X10G UPLINKS, K12	3,346.50	6,693.00
016	2	C9200-NW-A-48-EDU	CISCO	C9200 NETWORK ADVANTAGE, 48-PORT LICENSE K12	1,219.00	2,438.00
East Stroudsburg High School NORTH						
017	2	C9200-48P-EDU	CISCO	CATALYST 9200 48-PORT POE+ ONLY, K12	2,976.20	5,952.40
018	2	C9200-NM-4X	CISCO	CATALYST 9200 4 X 10G NETWORK MODULE	920.00	1,840.00
019	2	C9200-NW-A-48-EDU	CISCO	C9200 NETWORK ADVANTAGE, 48-PORT LICENSE K12	1,219.00	2,438.00
020	2	C9200-STACK-KIT	CISCO	CATALYST 9200 AND 9200L STACK MODULE	603.75	1,207.50
021	3	C9200L-48P-4X-EDU	CISCO	CATALYST 9200L 48-PORT POE+ ONLY, 4X10G UPLINKS, K12	3,346.50	10,039.50
022	3	C9200-NW-A-48-EDU	CISCO	C9200 NETWORK ADVANTAGE, 48-PORT LICENSE K12	1,219.00	3,657.00
023	3	C9200L-STACK-KIT	CISCO	CATALYST 9200L STACK MOD	603.75	1,811.25
024	1	PWR-C5-1KWAC/2	CISCO	1KW AC CONFIG 5 P/S SECONDARY P/S	1,449.00	1,449.00
					Sub-Total (USD) 37,525.65	
East Stroudsburg High School SOUTH						
025	4	C9200-48P-EDU	CISCO	CATALYST 9200 48-PORT POE+ ONLY, K12	2,976.20	11,904.80
026	4	C9200-NM-4X	CISCO	CATALYST 9200 4 X 10G NETWORK MODULE	920.00	3,680.00

027	4	C9200-NW-A-48-EDU	CISCO	C9200 NETWORK ADVANTAGE, 48-PORT LICENSE K12	1,219.00	4,876.00
028	4	C9200-STACK-KIT	CISCO	CATALYST 9200 AND 9200L STACK MODULE	603.75	2,415.00
029	3	C9200L-48P-4X-EDU	CISCO	CATALYST 9200L 48-PORT POE+ ONLY, 4X10G UPLINKS, K12	3,346.50	10,039.50
030	3	C9200-NW-A-48-EDU	CISCO	C9200 NETWORK ADVANTAGE, 48-PORT LICENSE K12	1,219.00	3,657.00
031	3	C9200L-STACK-KIT	CISCO	CATALYST 9200L STACK MOD	603.75	1,811.25
032	3	PWR-C5-1KWAC/2	CISCO	1KW AC CONFIG 5 P/S SECONDARY P/S	1,449.00	4,347.00
Sub-Total (USD)					42,730.55	
033	1	PEPPM	EPLUS	AS PER PEPPM 2019 CONTRACT # 528897 - FAX PO TO 800-636-3779.	0.00	0.00

By placing an order with ePlus for products or services you agree to comply with the Terms and Conditions for Purchasing Products and Services located at <http://www.eplus.com/terms-and-conditions/Pages/Products-Services-Terms-and-Conditions.aspx> (the 'Order Terms'). Unless there is a separate written agreement signed on behalf of both you and ePlus, the Order Terms shall be the only terms and conditions applicable to transactions between you and ePlus, and no additional or contrary terms referenced in a purchase order, document, or electronic communication shall apply. In no event shall ePlus performance under a purchase order be deemed to constitute acceptance of any terms and conditions set forth therein.

ePlus offers flexible and easy leasing options for your IT equipment. Use leasing to increase your IT acquisition capability, overcome limited budgets, and manage the lifecycle of your assets. Contact an ePlus Leasing Coordinator at 1-703-984-8021 or leasing@eplus.com to receive a lease quote today.

Thank you for your inquiry. Recent US govt tariffs assessed to Chinese imports are causing price increases for many IT products with little or no notice, and beyond ePlus' control. As a result, this quote is subject to change without notice, even before the expiration date reflected above. Please confirm pricing prior to order placement. Unless freight amount is indicated, or is zero, freight will be added to the invoice. Unless Bill-To company is exempt from Sales Tax, it will be added to the invoice. Extended Warranties and Professional Services are available.

Customer Acceptance

Signature: _____ Date: _____
 Name: _____ PO #: _____
 Title: _____ Ship Via: _____

This quotation is confidential for your internal use only.
 This is a solicitation for an offer and is subject to credit approval. No contract is formed unless a purchase order or other offer is received AND ACCEPTED BY OUR OFFICE. If you intend to have your chosen leasing company pay the costs directly, please note that if the Lessor does not pay ePlus for any reason, you will be responsible for payment to ePlus.

To Place An Order, Please Contact:

ePlus Technology Inc
 Sales: Eryn Mauger
 Phone: 610-495-1224
 Fax: 610-495-1208
 Email: EMauger@EPLUS.com
 Address: 130 Futura Drive - Pottstown, PA 19464

Sub Total (USD):	101,210.35
Tax (USD):	0.00
Shp&Hnd (USD):	TBD
Total (USD):	101,210.35

V. Items for Discussion

c. Budget Review – 8000 & 9000 Functions

8000 Revenue from Federal Sources

Revenue originating from the Federal government.

8110 Payment for Federally Impacted Areas

- Revenues received as financial assistance to LEAs which are so affected by the presence of Federal activities as to be classified "Federally Impacted," and for disaster assistance to LEAs in Federally declared disaster areas. Include here all revenues received under impact aid programs. An example is the Delaware Water Gap National Park.

8514 Title I – Improving the Academic Achievement of the Disadvantaged

- Revenue received for the education of disadvantaged children. Includes such programs as Comprehensive School Reform Program, Reading First, Even Start, and Improving Literacy Through Libraries.

8515 Title II – Preparing, Training and Recruiting High Quality Teachers And Principals

- Revenue received for the education of children under NCLB Title II. Improving Teacher Quality, and Eisenhower Professional Development are samples of funding.

8516 Title III – Language Instruction For Limited English Proficient And Immigrant Students

- Revenue received for the education of children under NCLB, Title III. Includes Grants for English Language Acquisition, and Technology Literacy Challenge.

8517 Title IV – Par A Revenue

- Revenue received for the education of children under ESEA, Title IV. Includes funding for Safe and Drug-Free Schools and Communities, 21st Century Learning Communities, and Student Support and Academic Enrichment.

8732 ARRA – Qualified School Construction Bonds (QSCB)

- ARRA revenue received under the Qualified School Construction Bond program as interest reimbursement.

8733 ARRA – Qualified Zone Academy Bonds (QZAB)

- ARRA revenue received under the Qualified Zone Academy Bond program as interest reimbursement.

8810 Medical Assistance Reimbursements (ACCESS)

- Reimbursements received from the Federal Government through the Commonwealth of PA for eligible related health services provided to special education students as part of their Individual Education Plan (IEP). Reimbursable services include, but are not limited to, occupational therapy, physical therapy and psychological counseling.

9000 Other Financing Sources

Other financing sources include governmental fund general long-term debt proceeds, fund transfers-in, proceeds from fixed asset dispositions, and other receipts. Such amounts are classified separately from revenues.

9120 PROCEEDS FROM REFUNDING OF BONDS / NOTES

- Proceeds that represent monies received due to the refunding of bond or note issues only in the year of the issuance.

9200 PROCEEDS FROM EXTENDED TERM FINANCING

- Proceeds from extended term financing agreements other than the sale of bonds or notes.

9400 SALE OF OR COMPENSATION FOR LOSS OF FIXED ASSETS

- Monies received from the sale of, or compensation for the loss of fixed assets.

V. Items for Discussion

d. Procurement Manual Discussion



EAST STROUDSBURG AREA SCHOOL DISTRICT PURCHASING MANUAL

East Stroudsburg Area SD
Administration Building
Business Office
50 Vine Street
East Stroudsburg, PA 18301
Phone: 5770-424-8500
Fax: 570-420-8384
www.esasd.net

Prepared by Marisela Horton
Rev 2/08/19



The purpose of this Purchasing Manual is to assist all employees in the proper purchasing practices so as to be in full compliance with all Pennsylvania State Laws, Regulations and Policies.

The Purchasing Manual is designed to achieve three (3) goals:

1. Compliance with the law and Board policy on purchasing
2. Promote efficiency in purchasing practices
3. Achieve savings of money through proper purchasing practices

The three (3) goals should be achieved through proper planning. Please allow yourself enough leeway between generating the requisition and the actual date materials or services are needed. Please think of purchasing items in terms of the entire school year. What items and services do you need on an annual basis?

The key is to plan. Through proper planning, we can eliminate much of the frustration that is encountered in all public school purchasing procedures.

Responsibilities

To purchase equipment, supplies, materials and services for school and administrative sites as cost effectively

To assist in the development and processing of bid packages and related contracts, board agenda items related to purchasing and in the general acquisition of equipment and supplies

Purchasing Code of Ethics

Endeavor to obtain the greatest value for every District dollar expended by conducting business in a manner consistent with exemplary business practices, district policies, and legal statutes.

Give prompt and courteous reception to all District staff and legitimate business representatives.

Provide support to the District' schools and departments charged with the responsibility of creating an educational environment of excellence.

Insure that all responsible bidders receive equal consideration and the assurance of unbiased judgement in determining whether their products meet the educational and/or operational needs of the East Stroudsburg Area School District.

Always consider the interest of East Stroudsburg Area School District and the enhancement of its educational program first.

Strive for a thorough knowledge and understanding of East Stroudsburg Area School District equipment and supplies in order to assist in the best value evaluation for the products and services purchased.

Work to identify and implement strategies and techniques that will preserve the integrity of the purchasing while enhancing the level of services provided by the department.

Never accept gifts or favors that might influence, or be construed to influence, the purchase of goods and services.

Integrity

Fairness and impartiality in all phases of the process are an essential part of any transaction in public purchasing. Dealing with vendors and peers, must be open, honest, and objective. The purchasing objective is to provide quality services and products for the District's schools and departments.

East Stroudsburg Area School District does not discriminate on the basis of sex, race, disability, color or national origin in its business practices.

General

The Board shall establish rules and regulations to ensure that the purchase of quality products and services at the most cost-effective level for the District.

- a) An electronic purchase order system, which automatically numbers and controls purchase orders and administrative approval levels shall be utilized.
- b) Every purchase of a product or service made on behalf of the District shall be made by entering a purchase order, issued by authority of the appropriate District staff member through the Munis electronic purchase order system, and approved by the Chief Financial Officer, except purchases made under provision of Student Activity Fund and Food Service Fund Regulations.
- c) No item may be purchased and charged to the School District without following the above procedure.
- d) If any employee fails to follow the above procedure, he/she is liable for the cost of the materials ordered. The Business Office will refuse to confirm and to pay for any item that has not been approved in advanced of purchase and has not been ordered through the purpose order system.
- e) All purchase orders shall include clearly described instructions, descriptions, units, costs, vendors, etc. on the purchase order. Items must be coded to correct general ledge account number.
- f) All purchase orders requests must be referred to the Business Office as to whether proposed purchase order is subject to bid, whether sufficient funds exist in the budget, and whether the material might be elsewhere in the District. Purchase orders must go to Board for approval.
- g) Upon conversion of the purchase order, items will be ordered according to vendor information (via online, fax, or email delivery).
- h) No deliveries shall be accepted from vendors unless identified with School District purchase order.
- i) The Business Office shall establish written procedures to be followed by all District personnel for purchasing of various products and services (i.e. materials and supplies, emergencies purchases, etc.).

Procedures

Following School Policy #611, when funds are available, all purchases contemplated within the current budget and not subjected to bid be made in a manner that ensures the best interests of the district.

Public School Code Section 24 P.S. §8-807.1- Purchase of Supplies (amended June 30, 2012, P.L.684, NO.82) establishes the primary legal requirements to be followed in the purchase of materials, supplies, and equipment for use in public schools in the Commonwealth.

Section 24 P.S. §1-120 Adjustments Based on Consumer Price Index (added June 30, 201, P.L. 684, No. 82) (Act 97, 2011) allows for annual bud limited adjustments are made between October 1 and November 15 of each year, becoming effective January 1 for the subsequent calendar year. The Department of Labor and Industry will publish notice in the Pennsylvania Bulletin prior to January 1 of each calendar year of the annual percentage change determined.

All purchases that are within budgetary limits and under \$11,100 and were originally contemplated within the budget may be made upon authorization of the Chief Financial Officer. Purchases not budgeted or which exceed \$11,100 must go to the Finance Committee for review and full board for approval.

School Policy #612, states that when funds are not available for a proposed appropriation, a budget transfer from one general ledger account to another may be made after October 1 of the fiscal year by the Board if it is apparent that the necessary surplus funds do exist in another appropriation and if the procedures specified in the School Code are followed and it can demonstrate the proposed expenditure would be educationally warranted in the current fiscal year.

Cooperative Purchasing

The District encourages its employees to seek advantages in savings that may accrue to this district through joint agreement for the purchase of supplies, equipment or services with other political subdivisions.

Cooperative purchases require an agreement approved by the Board and the participating contracting body(s) which shall specify the categories of equipment and supplies to be purchased.

All such agreements must conform to regulations provided in the School Code. The following are state contracts and approved consortiums that the District may participate in.

Pennsylvania State Contracts and Approved Consortiums

COSTARS

<http://www.dgsweb.state.pa.us/COSTARSReg/WelcomePage.aspx>

Keystone Purchasing Network (AEPA Contracts)

<http://www.thekpn.org>

PEPPM National Contracts Program (Technology Bidding and Purchasing)

<http://www.peppm.org/>

Pennsylvania State Contracts

<http://www.emarketplace.state.pa.us>

Source Well (formerly NJPA)

<http://sourcewell-mn.gov>

US Communities

<http://www.uscommunities.org/>

Purchases Subject to Bid

The District shall comply with the Pennsylvania School Code with regard to all bidding requirements for contracts for goods and services, including those regarding the purchase of equipment, textbooks, school supplies, and other appliances as well as all contracts for construction, reconstruction, repairs, maintenance or work on any school building.

Contracts for necessary emergency repairs and replacements may be completed after solicitation of competitive bids from at least three (3) responsible bidders and upon approval of any of these bids by the Secretary of Education. The District may utilize its own maintenance or other personnel to perform maintenance work irrespective of the entire cost or value of such work.

Bidding Thresholds

The Pennsylvania Department of Labor & Industry published the authority and municipal bidding thresholds for 2018. Under Act 90 of 2011, the bidding thresholds provide for an annual inflation adjustment based on the Consumer Price Index for All Urban Consumers.

The percentage change for the 12 month period ending September 30, 2018, is 2.3%. Beginning on January 1, 2019, the bidding thresholds for municipal authorities will be as follows:

- Purchases and contracts below \$11,100 require no formal bidding or written/telephonic quotations.
- Purchases and contracts between \$11,100 and \$20,600 require three written/telephonic quotations.
- Purchases and contracts over \$20,600 require formal bidding
- On all projects, the scope work shall be clearly written in order to avoid change orders and the appearance of bid splitting

Bid specifications shall be prepared by, or at the direction of the Chief Financial Officer.

Bids shall be opened publicly before one or more witnesses at a previously designated time and place. Contracts shall be awarded to the lowest responsible bidder upon resolution of the Board unless the Board chooses to reject all the bids

- **Although, the state sets the thresholds, the District requires 3 written quotes for purchases over \$5,000. The District reserves the right to request quotes for items/project under \$5,000**
- **Items/Projects over \$11,100 must go to Finance Committee for Review**
- **Items/Projects over \$20,600 must go to School Board**
 - * Thresholds may change annually by the Dept. of Labor & Industry. Each year the Department of Labor and Industry is required to publish changes to the base amounts triggering the requirement for bids and quotes for school purchases under Act 97 of 2011 (<http://www.pabulletin.com/secure/data/vol46/46-50/2154.html>)
 - * The Department is required to adjust the thresholds in the 2011 law by the percentage in the Consumer Price Index for All Urban Consumers (CPI-U). The Changes are published in the Pennsylvania Bulletin prior to the start of the next calendar year. There are three sections of the School Code affected by the law and the annual adjustments (24 P.S. §§1-119, 7-751 and 8-807.1)

Emergency Purchases

School policy #612, states that in an event of an emergency, which exists whenever the time required for the Board to act in accordance with regular procedures would endanger life or property or threaten continuance of existing school classes, a purchase may be authorized by the Chief Financial Officer.

Any expenditures in excess of appropriation made in conformance with this policy shall be reported to the Board at the next meeting with a recommendation of funds to be transferred to the purchase.

P-Card Purchases

The District participates in a Purchase Card (P-card) Program. The P-Card works like a credit card and is a simplified and cost effective method of purchasing and remitting payment for approved expenditure. The P-Card can be used for purchases in person, by mail, telephone, fax or internet.

The P-Card is to be used in accordance with the procedures established within this manual. Before receiving a P-Card, the Chief Financial Officer and Assistant Financial Officer must approve the employee's request. The P-Card will only be issued to an employee when it is more convenient for the District to account for the type of purchases the employee is expected to make. The P-Card is not primarily for the convenience of staff is to circumvent the standard of Purchase Order process. The CFO will determine when the P-Card is a better method of purchasing items versus using the standard Purchase Order process.

The employee will receive training and procedures before receiving their P-Card and it may be revoked for misuse at any time.

Payment of Bills

1. Checks under \$11,099 will be mailed as completed
2. Checks at or over \$11,100 will be held until after Board meeting

Federal Uniform Grant (UGG) Purchasing

- 1) UGG applies to school entities receiving federal awards directly from federal agencies and awards via a pass – through agency such as the state:
 - a. All purchases with federal funding will need to conform to reflect state, local and federal requirements.
- 2) Federal thresholds and procurement methods for goods and services consists of:
 - a. Micro-purchases
 - a. Not to exceed \$10,000
 - b. Does not require quotes or bids
 - c. Must be distributed equitably among qualified suppliers
 - d. Must be reasonable according to sound practices
 - b. Small purchase
 - a. Purchases from \$10,000 - \$250,000
 - b. Quotes must be obtained from an adequate number of sources (no less than 3)
 - c. Sealed Bids
 - a. Used for purchases greater than \$250,000; includes perishable food
 - b. Requires formal solicitation with at least two or more responsible bidders

- c. Must be used for construction projects
 - d. Specifications and contracts over \$250,000 must include special federal wording
 - e. Equipment for Food Services greater than or equal to \$5,000 each require online PDE approval
- d. Competitive Proposals
- a. Used for purchases greater than \$250,000
 - b. Requires formal solicitation with evaluation methods
 - c. Fixed price or cost reimbursement
 - d. Contract should be awarded to the responsible firm whose proposal is most advantageous to the program with price being one of the various factors
 - e. A cost/price analysis must be performed on all purchase over \$150,000 before the purchase is completed
- e. Noncompetitive (Sole Source) proposals:
- a. Appropriate only when specific criteria is met and all other procurement methods are not applicable:
 - Items available only from one source
 - After soliciting a number of sources competition is deemed inadequate
 - A public emergency does not allow for the time for the competitive proposal process
 - Expressly authorized by awarding or pass-through agency in response to a written request from a non-Federal entity

3) Additional UGG Federal regulations include the following:

- a. A cost/price analysis must be performed on all purchases over \$250,000, and before the purchase is completed
- b. Affirmative steps to include participate from minority, women and labor surplus area firms must be included in solicitations
- c. Geographical preferences are prohibited (there is an exception for food service program regulations)
- d. Specific USDA regulations concerning food service purchasing must be followed and are included below:
 - a. Perishable food exception
 - b. Geographical preference exception for local agricultural products
 - c. Buy American commodity regulation
 - d. Food Service Management Company Contract requirements
 - e. Mandatory Contract clauses (see below)
- e. The following clauses must be included in all formal solicitations and contracts:
 - a. Termination of Cause
 - b. Equal Employment Opportunity
 - c. Contract Work Hour and Safety Standards Act
 - d. Davis Bacon Act
 - e. Rights to Inventions

- f. Debarment and Suspension
- g. Byrd Anti Lobbying
- h. Clean Air Act
- i. Simplified Acquisition Threshold Contract Breach

EAST STROUDSBURG AREA SCHOOL DISTRICT
Procurement Form

TO BE COMPLETED FOR ANY PROCUREMENT OVER \$11,100

a) Why are you requesting service/need?

b) Cost Estimate; if over \$5,000, were 3 quotes attained? If yes, please list vendors & amounts.

Under \$5,000 proceed to C

c) Procurement Method; Procurement card; Purchase Order

d) Funds account(s) to be charged for Procurement

Check box of funds:

General Account ()

Food Service ()

Special Activity ()

Capital Reserve ()

Account Name _____

e) Selection of winning proposal

Was the lowest prices selected? If applicable, please explain why this vendor was chosen

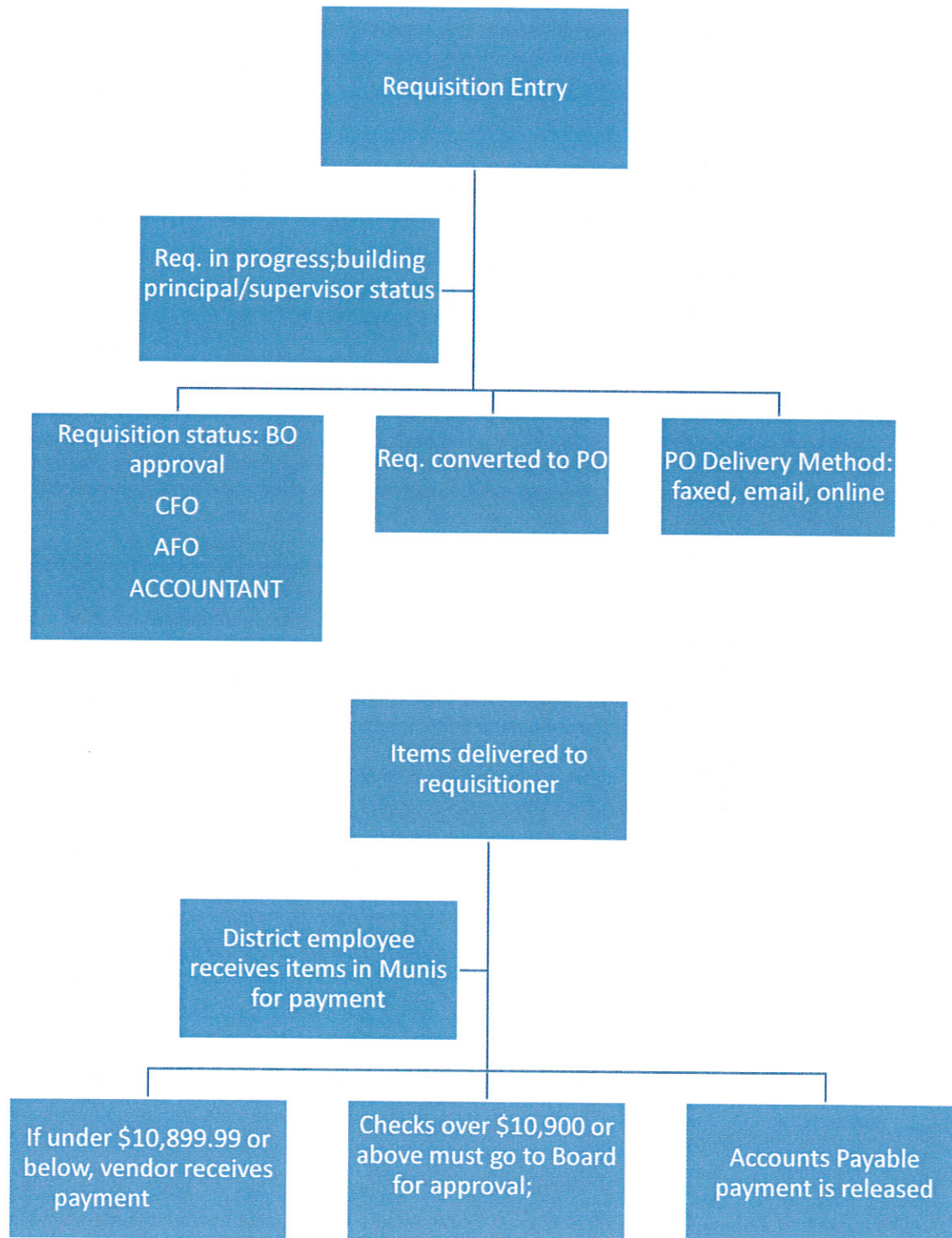
If a Request for Proposal was prepared, how many proposers responded? _____

Procurement Procedures

- Receives requisition; if
- Are the items available from current inventory?
If yes-transfer item(s) from existing inventory to requisitioned and record in material management system
- If no – does the order or project exceed \$20,100? –
- If no, does the order or project exceed \$5,000? -Requires 3 written/telephonic quotations
- If no –Procure item(s) from the vendor with the lowest responsible price.
- If yes- are the items available from an existing, approved Cooperative Purchasing Agreement?
- If not, has the procurement been bid in accordance with Pol. 610?
- If not, subject to Bid (See Pol. 610). Bid taken to Finance Committee; board approval; create/open bid; award bid ; take to FC for approval; board approved- **create requisition**
- If yes, procure items from the vendor with the lowest, responsible price –items decided; need to be entered in Munis by Requisition ; invoice is sent to AP- when invoice is received by AP, payment to vendor will be processed

- District employee enters a requisition into Munis; ensures there are funds in account prior to starting process
- The following info gets entered by the employee:
 - a. Department/Location
 - b. Fiscal year
 - c. Requisition number is created by Munis
 - d. General description
 - e. Vendor number
 - f. Ship to
 - g. Quantity, full description, unit price, general account
 - h. Release requisition
- Requisition goes to approver level by department chair/building principal/Administrator, Business Office, requisition conversion to Purchase Order
- Purchase order delivery method; email, fax, order online by Marisela Horton
- Any problems with order gets directed to Business Office
- Employee receives items
- Accounts Payable cuts check for payment

Requisition Life Cycle



V. Items for Discussion

f. Property & Facilities Items

- i. D'Huy Engineering – HS North/Lehman Intermediate Roof Replacement Design, Bidding, Construction, Phase Services
Invoice #48715 – \$8,595.06



D'HUY Engineering, Inc.
One East Broad Street, Suite 310 Bethlehem, PA 18018
Phone: 610.865.3000 Fax: 610.861.0181

INVOICE

No. 48715
12/31/2018

East Stroudsburg Area School District

50 Vine Street
East Stroudsburg, PA 18301
Mr. Tom McIntyre

<p>High School North Roof Replacement</p> <p>287010</p> <p>For Services Rendered From November 24, 2018 To December 31, 2018</p> <p>DEI Fee = 7% of \$6,675,000 = \$467,250</p>

01 - High School North / Lehman I.S. Roof Investigation

<u>Contract Amount</u>	<u>Previously Billed</u>	<u>% Complete</u>	<u>Invoice Amount</u>
\$12,900.00	\$12,900.00	100.00	\$0.00

02 - Design, Bidding & Construction Phase Services

<u>Contract Amount</u>	<u>Previously Billed</u>	<u>% Complete</u>	<u>Invoice Amount</u>
\$467,250.00	\$0.00	1.84	\$8,595.06

INVOICE TOTAL \$8,595.06

V. Items for Discussion

f. Property & Facilities Items

- ii. D'Huy Engineering – Resica Elementary Roof Replacement
Invoice #48716 – \$1,656.02



D'HUY Engineering, Inc.
One East Broad Street, Suite 310 Bethlehem, PA 18018
Phone: 610.865.3000 Fax: 610.861.0181

INVOICE

No. 48716
12/31/2018

East Stroudsburg Area School District

50 Vine Street
East Stroudsburg, PA 18301
Mr. Tom McIntyre

**Resica Elementary School Roof Replacement
287011**

For Services Rendered From November 24, 2018 To December 31, 2018

DEI Fee = 7% of Estimated Cost of \$875,000 = \$47,250

00 - Basic Services

<u>Contract Amount</u>	<u>Previously Billed</u>	<u>% Complete</u>	<u>Invoice Amount</u>
\$47,250.00	\$0.00	3.50	\$1,656.02

INVOICE TOTAL \$1,656.02

V. Items for Discussion

f. Property & Facilities Items

- iii. D'Huy Engineering – District Retainer Services
Invoice #48714 – \$2,000.00



D'HUY Engineering, Inc.
One East Broad Street, Suite 310 Bethlehem, PA 18018
Phone: 610.865.3000 Fax: 610.861.0181

INVOICE

No. 48714
12/31/2018

East Stroudsburg Area School District

50 Vine Street
East Stroudsburg, PA 18301
Mr. Tom McIntyre

East Stroudsburg Area School District Retainer Services
287000
For Services Rendered From November 24, 2018 To December 31, 2018

Retainer Services

Retainer Services

Specified Fee:	\$2,000.00
Fee this Period:	\$2,000.00

INVOICE TOTAL \$2,000.00

V. Items for Discussion

f. Property & Facilities Items

- iv. Trane – HS North – Eddy Current Tube Testing on three Chillers
Proposal – \$19,922.00

**TRANE**

LET'S GO BEYOND™

Trane U.S. Inc.
1185 North Washington Street
Wilkes Barre, PA 18705
Phone: (570) 821-4960
Fax: (866) 483-5414

January 22, 2019

Scott Ihle

East Stroudsburg Area School District
50 Vine Street
PO Box 298
East Stroudsburg, PA 18301
(570) 424-8500
scott-ihle@esasd.net

Site Address:
Lehman Intermediate and High School North
257 Timberwolf Drive
Dingsmans Ferry, PA 18328

PROJECT NAME: East Stroudsburg North HS -Tube Prep & Eddy Test

We are pleased to offer you this proposal for performance of the following services for the Equipment listed. Services will be performed using Trane's Exclusive Service Procedure to ensure you get full benefit of our extensive service experience, coupled with the distinct technical expertise of an HVAC Equipment manufacturing leader. Our innovative procedure is environmentally and safety conscious, and aligns expectation of work scope while providing efficient and productive delivery of services.

EQUIPMENT LIST

Equipment	Qty	Manufacturer	Model Number	Serial Number
Centrifugal Chiller	1	Trane	CVHF077FA1	L99G02989M
Rotary Chiller	1	Trane	RTHB300FMF	U99G00244
Rotary Chiller	1	Trane	RTHB300FMF	U99G00245

Scope of Service: Provide labor and material to perform Eddy Current tube testing on one (1) CVHF077 centrifugal chiller and two (2) RTHB300 rotary chillers.

Service: Eddy Current Testing (per chiller)

Description

- Remove chiller from service
- Lock out and tag chiller
- Isolate the evaporator and condenser vessels from the water systems
- Remove one (1) head (non piping end) from each vessel
- Inspect tubes, tube sheets and heads*
- Mechanically brush clean evaporator and condenser tubes
- Perform Eddy Current tube test on all tubes and provide detailed report*
- Reinstall vessel heads with new gasket/orings
- Refill vessels and return to water systems
- Remove locks and tags
- Place chiller back into service

* Evaluations will be by Trane representative. Any required additional repairs will be brought to your attention, quoted separately, and will be done only following your approval.

Notes

- Removal and storage of glycol (if used) is not included in above referenced scope
Water system(s) draining and refilling is not included should vessel(s) isolation valves not close and hold
The existing insulation will be re-used when possible. New insulation, if necessary, will be quoted in addition to this proposal.

PRICING AND ACCEPTANCE

TOTAL PRICE:.....\$19,922.00 USD

CLARIFICATIONS

1. Any service not listed is not included.
2. Work will be performed during normal Trane business hours.
3. This proposal is valid for 30 days from January 21, 2019.

I appreciate the opportunity to earn your business, and look forward to helping you with all of your service needs. Please contact me if you have any questions or concerns.

Sincerely,

Vincent DeAngelis
Services Account Manager
(570) 332-1880

This agreement is subject to Customer's acceptance of the attached Trane Terms and Conditions – Quoted Service.

CUSTOMER ACCEPTANCE

Authorized Representative

Printed Name

Title

Purchase Order

Acceptance Date

License Number:

TERMS AND CONDITIONS – QUOTED SERVICE

"Company" shall mean Trane U.S. Inc. for Company performance in the United States and Trane Canada ULC for Company performance in Canada.

To obtain repair service within the scope of Services as defined, contact your local Trane District office identified on the first page of the Agreement by calling the telephone number stated on that page. That Trane District office is responsible for Trane's performance of this Agreement. Only Trane authorized personnel may perform service under this Agreement. For Service covered under this Agreement, Trane will be responsible for the cost of transporting a part requiring service.

1. Agreement. These terms and conditions are an integral part of Company's offer and form the basis of any agreement (the "Agreement") resulting from Company's proposal (the "Proposal") for the services (the "Services") on equipment listed in the Proposal (the "Covered Equipment"). **COMPANY'S TERMS AND CONDITIONS ARE SUBJECT TO PERIODIC CHANGE OR AMENDMENT.**

2. Acceptance. The Proposal is subject to acceptance in writing by the party to whom this offer is made or an authorized agent ("Customer") delivered to Company within 30 days from the date of the Proposal. If Customer accepts the Proposal by placing an order, without the addition of any other terms and conditions of sale or any other modification, Customer's order shall be deemed acceptance of the Proposal subject to Company's terms and conditions. If Customer's order is expressly conditioned upon the Company's acceptance or assent to terms and/or conditions other than those expressed herein, return of such order by Company with Company's terms and conditions attached or referenced serves as Company's notice of objection to Customer's terms and as Company's counter-offer to provide Services in accordance with the Proposal. If Customer does not reject or object in writing to Company within 10 days, the Company's counter-offer will be deemed accepted. Customer's acceptance of the Services by Company will in any event constitute an acceptance by Customer of Company's terms and conditions. In the case of a dispute, the applicable terms and conditions will be those in effect at the time of delivery or acceptance of the Services. This Agreement is subject to credit approval by Company. Upon disapproval of credit, Company may delay or suspend performance or, at its option, renegotiate prices and/or terms and conditions with Customer. If Company and Customer are unable to agree on such revisions, this Agreement shall be cancelled without any liability, other than Customer's obligation to pay for Services rendered by Company to the date of cancellation.

3. Cancellation by Customer Prior to Services; Refund. If Customer cancels this Agreement within (a) thirty (30) days of the date this Agreement was mailed to Customer or (b) twenty (20) days of the date this Agreement was delivered to Customer, if it was delivered at the time of sale, and no Services have been provided by Company under this Agreement, the Agreement will be void and Company will refund to Customer, or credit Customer's account, the full Service Fee of this Agreement that Customer paid to Company, if any. A ten percent (10%) penalty per month will be added to a refund that is due but is not paid or credited within forty-five (45) days after return of this Agreement to Company. Customer's right to cancel this Agreement only applies to the original owner of this Agreement and only if no Services have been provided by Company under this Agreement prior to its return to Company.

4. Cancellation by Company. This Agreement may be cancelled by Company for any reason or no reason, upon written notice from Company to Customer no later than 30 days prior to performance of any Services hereunder and Company will refund to Customer, or credit Customer's account, that part of the Service Fee attributable to Services not performed by Company. Customer shall remain liable for and shall pay to Company all amounts due for Services provided by Company and not yet paid.

5. Services Fees and Taxes. Fees for the Services (the "Service Fee(s)") shall be as set forth in the Proposal and are based on performance during regular business hours. Fees for outside Company's regular business hours and any after-hours services shall be billed separately according to the then prevailing overtime or emergency labor/labour rates. In addition to the stated Service Fee, Customer shall pay all taxes not legally required to be paid by Company or, alternatively, shall provide Company with acceptable tax exemption certificates. Customer shall pay all costs (including attorneys' fees) incurred by Company in attempting to collect amounts due.

6. Payment. Payment is due upon receipt of Company's invoice. Company reserves the right to add to any account outstanding for more than 30 days a service charge equal to the lesser of the maximum allowable legal interest rate or 1.5% of the principal amount due at the end of each month. Customer shall pay all costs (including attorneys' fees) incurred by Company in attempting to collect amounts due or otherwise enforcing these terms and conditions.

7. Customer Breach. Each of the following events or conditions shall constitute a breach by Customer and shall give Company the right, without an election of remedies, to terminate this Agreement or suspend performance by delivery of written notice: (1) Any failure by Customer to pay amounts when; or (2) any general assignment by Customer for the benefit of its creditors, or if Customer becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, or makes or proposes to make any proposal or arrangement with creditors, or if any steps are taken for the winding up or other termination of Customer or the liquidation of its assets, or if a trustee, receiver, or similar person is appointed over any of the assets or interests of Customer; (3) Any representation or warranty furnished by Customer in connection with this Agreement is false or misleading in any material respect when made; or (4) Any failure by Customer to perform or comply with any material provision of this Agreement. Customer shall be liable to the Company for all Services furnished to date and all damages sustained by Company (including lost profit and overhead)

8. Performance. Company shall perform the Services in accordance with industry standards generally applicable in the state or province where the Services are performed under similar circumstances as of the time Company performs the Services. Company is not liable for any claims, damages, losses, or expenses, arising from or related to work done by or services provided by individuals or entities that are not employed by or hired by Company. Company may refuse to perform any Services or work where working conditions could endanger property or put at risk the safety of people. Parts used for any repairs made will be those selected by Company as suitable for the repair and may be parts not manufactured by Company. Customer must reimburse Trane for services, repairs, and/or replacements performed by Trane at Customer's request beyond the scope of Services or otherwise excluded under this Agreement. The reimbursement shall be at the then prevailing applicable regular, overtime, or holiday rates for labor/labour and prices for materials. Prior to Trane performing the additional services, repairs, and/or replacements, Customer may request a separate written quote stating the work to be performed and the price to be paid by Customer for the work.

9. Customer Obligations. Customer shall: (a) provide Company reasonable and safe access to the Covered Equipment and areas where Company is to work; and (b) unless otherwise agreed by Customer and Company, at Customer's expense and before the Services begin, Customer will provide any necessary access platforms, catwalks to safely perform the Services in compliance with OSHA, state, or provincial industrial safety regulations or any other applicable industrial safety standards or guidelines.

10. Exclusions. Unless expressly included in the Proposal, the Services do not include, and Company shall not be responsible for or liable to the Customer for, any claims, losses, damages or expenses suffered by the Customer in any way connected with, relating to or arising from any of the following:

- (a) Any guarantee of room conditions or system performance;
- (b) Inspection, operation, maintenance, repair, replacement or performance of work or services outside the Services;
- (c) Damage, repairs or replacement of parts made necessary as a result of the acts or omission of Customer or any Event of Force Majeure;
- (d) Any claims, damages, losses, or expenses, arising from or related to conditions that existed in, on, or upon the premises before the effective date of this Agreement ("Pre-Existing Conditions") including, without limitation, damages, losses, or expenses involving a Pre-Existing

Condition of building envelope issues, mechanical issues, plumbing issues, and/or indoor air quality issues involving mold/mould, bacteria, microbial growth, fungi or other contaminants or airborne biological agents; and

(e) Replacement of refrigerant is excluded, unless replacement of refrigerant is expressly stated as included with the Proposal.

11. Limited Warranty. Company warrants that: (a) the material manufactured by Company and provided to the Customer in performance of the Services is free from defects in material and manufacture for a period of 12 months from the earlier of the date of equipment start-up or replacement and (b) the labor/labour portion of the Services is warranted to have been properly performed for a period of 90 days from date of completion (the "Limited Warranty"). Company obligations of equipment start-up, if any are stated in the Proposal, are coterminous with the Limited Warranty period. Defects must be reported to Company within the Limited Warranty period. Company's obligation under the Limited Warranty is limited to repairing or replacing the defective part at its option and to correcting any improperly performed labor/labour. No liability whatsoever shall attach to Company until the Services have been paid for in full. Exclusions from this Limited Warranty include claims, losses, damages, and expenses in any way connected with, related to, or arising from failure or malfunction of equipment due to the following: wear and tear; end of life failure; corrosion; erosion; deterioration; Customer's failure to follow the Company-provided maintenance plan; unauthorized or improper maintenance; unauthorized or improper parts or material; refrigerant not supplied by Trane; and modifications made by others to Company's equipment. Company shall not be obligated to pay for the cost of lost refrigerant or lost product. Some components of Company equipment may be warranted directly from the component supplier, in which case this Limited Warranty shall not apply to those components and any warranty of such components shall be the warranty given by the component supplier. Notwithstanding the foregoing, all warranties provided herein terminate upon termination or cancellation of this Agreement. Equipment, material and/or parts that are not manufactured by Company are not warranted by Company and have such warranties as may be extended by the respective manufacturer.

THE REMEDIES SET FORTH IN THIS LIMITED WARRANTY ARE THE SOLE AND EXCLUSIVE REMEDIES FOR WARRANTY CLAIMS PROVIDED BY COMPANY TO CUSTOMER UNDER THIS AGREEMENT AND ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, LIABILITIES, CONDITIONS AND REMEDIES, WHETHER IN CONTRACT, WARRANTY, STATUTE, OR TORT (INCLUDING NEGLIGENCE), EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE OR FITNESS FOR A PARTICULAR PURPOSE AND/OR OTHERS ARISING FROM COURSE OF DEALING OR TRADE. COMPANY EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES, ENDORSEMENTS OR CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF QUALITY, FITNESS, MERCHANTABILITY, DURABILITY AND/OR OTHERS ARISING FROM COURSE OF DEALING OR TRADE OR REGARDING PREVENTION BY THE SCOPE OF SERVICES, OR ANY COMPONENT THEREOF, OF MOLD/MOULD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES. COMPANY EXPRESSLY DISCLAIMS ANY LIABILITY IF THE SCOPE OF SERVICES OR ANY COMPONENT THEREOF IS USED TO PREVENT OR INHIBIT THE GROWTH OF SUCH MATERIALS. THE WARRANTY AND LIABILITY SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

12. Indemnity. To the maximum extent permitted by law, Company and Customer shall indemnify and hold harmless each other from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to real or personal property, to the extent caused by the negligence or misconduct of the indemnifying party, and/or its respective employees or authorized agents in connection with their activities within the scope of this Agreement. Neither party shall indemnify the other against claims, damages, expenses, or liabilities to the extent attributable to the acts or omissions of the other party or third parties. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault. The duty to indemnify and hold harmless will continue in full force and effect, notwithstanding the expiration or early termination of this Agreement, with respect to any claims based on facts or conditions that occurred prior to expiration or termination of this Agreement.

13. Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL LOSSES OR DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION REFRIGERANT LOSS, PRODUCT LOSS, LOST REVENUE OR PROFITS, OR LIABILITY TO THIRD PARTIES), OR PUNITIVE DAMAGES WHETHER BASED IN CONTRACT, WARRANTY, STATUTE, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY OR ANY OTHER LEGAL THEORY OR FACTS. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE TOTAL AND AGGREGATE LIABILITY OF THE COMPANY TO THE CUSTOMER WITH RESPECT TO ANY AND ALL CLAIMS CONNECTED WITH, RELATED TO OR ARISING FROM THE PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT, WHETHER BASED IN CONTRACT, WARRANTY, STATUTE, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY OR ANY OTHER LEGAL THEORY OR FACTS, SHALL NOT EXCEED THE COMPENSATION RECEIVED BY COMPANY UNDER THIS AGREEMENT. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY DAMAGES (WHETHER DIRECT OR INDIRECT) RESULTING FROM MOLD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR OTHER CONTAMINATES OR AIRBORNE BIOLOGICAL AGENTS. TO THE MAXIMUM EXTENT ALLOWED BY LAW, COMPANY SHALL NOT BE LIABLE FOR ANY OF THE FOLLOWING IN CONNECTION WITH PROVIDING THE ENERGY AND BUILDING PERFORMANCE SERVICES: INTERRUPTION, DELETION, DEFECT, DELAY IN OPERATION OR TRANSMISSION; CUSTOMER'S NETWORK SECURITY; COMPUTER VIRUS; COMMUNICATION FAILURE; THEFT OR DESTRUCTION OF DATA; GAPS IN DATA COLLECTED; AND UNAUTHORIZED ACCESS TO CUSTOMER'S DATA OR COMMUNICATIONS NETWORK.

14. Asbestos and Hazardous Materials. The Services expressly exclude any identification, abatement, cleanup, control, disposal, removal or other work connected with asbestos or other hazardous materials (collectively, "Hazardous Materials"). Should Company become aware of or suspect the presence of Hazardous Materials, Company may immediately stop work in the affected area and shall notify Customer. Customer will be responsible for taking any and all action necessary to correct the condition in accordance with all applicable laws and regulations.

Customer shall be exclusively responsible for any claims, liability, fees and penalties, and the payment thereof, arising out of or relating to any Hazardous Materials on or about the premises, not brought onto the premises by Company. Company shall be required to resume performance of the Services only when the affected area has been rendered harmless.

15. Insurance. Company agrees to maintain the following Insurance during the term of the contract with limits not less than shown below and will, upon request from Customer, provide a Certificate of evidencing the following coverage:

Commercial General Liability	\$2,000,000 per occurrence
Automobile Liability	\$2,000,000 CSL
Workers Compensation	Statutory Limits

If Customer has requested to be named as an additional Insured under Company's Insurance policy, Company will do so but only subject to Company's manuscript additional Insured endorsement under its primary Commercial General Liability policies. In no event does Company or its insurer waive its right of subrogation

16. Force Majeure. Company's duty to perform under this Agreement is contingent upon the non-occurrence of an Event of Force Majeure. If Company shall be unable to carry out any material obligation under this Agreement due to an Event of Force Majeure, this Agreement shall at Company's election (i) remain in effect but Company's obligations shall be suspended until the uncontrollable event terminates or (ii) be terminated upon ten (10) days notice to Customer, in which event Customer shall pay Company for all parts of the Services furnished to the date of termination. An "Event of Force Majeure" shall mean any cause or event beyond the control of Company. Without limiting the

foregoing, "Event of Force Majeure" includes: acts of God; acts of terrorism, war or the public enemy; flood; earthquake; lightning; tornado; storm; fire; civil disobedience; pandemic insurrections; riots; labor disputes; labor or material shortages; sabotage; restraint by court order or public authority (whether valid or invalid), and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by Company and the requirements of any applicable government in any manner that diverts either the material or the finished product to the direct or indirect benefit of the government.

17. General. Except as provided below, to the maximum extent provided by law, this Agreement is made and shall be interpreted and enforced in accordance with the laws of the state or province in which the Services are performed without regard to choice of law principles which might otherwise call for the application of a different state's or province's law. Any dispute arising under or relating to this Agreement that is not disposed of by agreement shall be decided by litigation in a court of competent jurisdiction located in the state or province in which the Services are performed. Any action or suit arising out of or related to this Agreement must be commenced within one year after the cause of action has accrued. To the extent the premises are owned and/or operated by any agency of the United States Federal Government, determination of any substantive issue of law shall be according to the United States Federal common law of Government contracts as enunciated and applied by Federal judicial bodies and boards of contract appeals of the Federal Government. This Agreement contains all of the agreements, representations and understandings of the parties and supersedes all previous understandings, commitments or agreements, oral or written, related to the Services. No documents shall be incorporated herein by reference except to the extent Company is a signatory thereon. If any term or condition of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, all other terms and conditions of this Agreement will nevertheless remain in full force and effect as long as the economic or legal substance of the transaction contemplated hereby is not affected in a manner adverse to any party hereto. Customer may not assign, transfer, or convey this Agreement, or any part hereof, without the written consent of Company. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the parties hereto and their permitted successors and assigns. This Agreement may be executed in several counterparts, each of which when executed shall be deemed to be an original, but all together shall constitute but one and the same Agreement. A fully executed facsimile copy hereof or the several counterparts shall suffice as an original. No modifications, additions or changes may be made to this Agreement except in a writing signed by Company. No failure or delay by the Company in enforcing any right or exercising any remedy under this Agreement shall be deemed to be a waiver by the Company of any right or remedy.

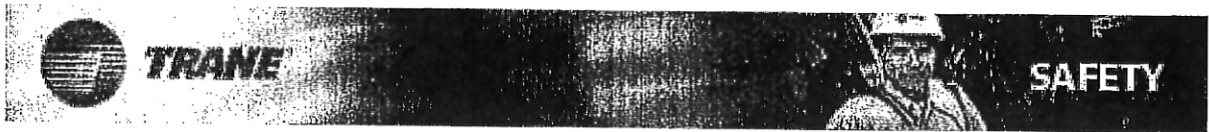
18. Equal Employment Opportunity/Affirmative Action Clause. Company is a United States federal contractor that complies fully with Executive Order 11246, as amended, and the applicable regulations contained in 41 C.F.R. Parts 60-1 through 60-60, 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in 41 C.F.R. Part 60-250; and Executive Order 13496 and Section 29 CFR 471, appendix A to subpart A, regarding the notice of employee rights in the United States and with Canadian Charter of Rights and Freedoms Schedule B to the Canada Act 1982 (U.K.) 1982, c. 11 and applicable Provincial Human Rights Codes and employment law in Canada.

19. U.S. Government Contracts.

The following provision applies only to direct sales by Company to the US Government. The Parties acknowledge that all items or services ordered and delivered under this Agreement / Purchase Order are Commercial Items as defined under Part 12 of the Federal Acquisition Regulation (FAR). In particular, Company agrees to be bound only by those Federal contracting clauses that apply to "commercial" suppliers and that are contained in FAR 52.212-5(e)(1). Company complies with 52.219-8 or 52.219-9 in its service and installation contracting business. The following provision applies only to indirect sales by Company to the US Government. As a Commercial Item Subcontractor, Company accepts only the following mandatory flow down provisions: 52.219-8; 52.222-26; 52.222-35; 52.222-36; 52.222-39; 52.247-64. If the Services are in connection with a U.S. government contract, Customer agrees and hereby certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the contracting officer and officials of the Small Business Administration, on all matters related to the prime contract, including but not limited to all aspects of its ownership, eligibility, and performance. Anything herein notwithstanding, Company will have no obligations to Customer unless and until Customer provides Company with a true, correct and complete executed copy of the prime contract. Upon request, Customer will provide copies to Company of all requested written communications with any government official related to the prime contract prior to or concurrent with the execution thereof, including but not limited to any communications related to contractor's Customer's ownership, eligibility or performance of the prime contract. Customer will obtain written authorization and approval from Company prior to providing any government official any information about Company's performance of the Services that are the subject of this offer or agreement, other than the Proposal or this Agreement.

20. Limited Waiver of Sovereign Immunity. If Customer is an Indian tribe (in the U.S.) or a First Nation or Band Council (in Canada), Customer, whether acting in its capacity as a government, governmental entity, a duly organized corporate entity or otherwise, for itself and for its agents, successors, and assigns: (1) hereby provides this limited waiver of its sovereign immunity as to any damages, claims, lawsuit, or cause of action (herein "Action") brought against Customer by Company and arising or alleged to arise out of the furnishing by Company of any product or service under this Agreement, whether such Action is based in contract, tort, strict liability, civil liability or any other legal theory; (2) agrees that jurisdiction and venue for any such Action shall be proper and valid (a) if Customer is in the U.S., in any state or United States court located in the state in which Company is performing this Agreement or (b) if Customer is in Canada, in the superior court of the province or territory in which the work was performed; (3) expressly consents to such Action, and waives any objection to jurisdiction or venue; (4) waives any requirement of exhaustion of tribal court or administrative remedies for any Action arising out of or related to this Agreement; and (5) expressly acknowledges and agrees that Company is not subject to the jurisdiction of Customer's tribal court or any similar tribal forum, that Customer will not bring any action against Company in tribal court, and that Customer will not avail itself of any ruling or direction of the tribal court permitting or directing it to suspend its payment or other obligations under this Agreement. The individual signing on behalf of Customer warrants and represents that such individual is duly authorized to provide this waiver and enter into this Agreement and that this Agreement constitutes the valid and legally binding obligation of Customer, enforceable in accordance with its terms.

1-10.48 (1114)
Supersedes 1-10.48 (0614)



TRANE'S SAFETY STANDARD

Trane is committed to providing a safe work environment for all employees and to preventing accidents in its business operations. To accomplish our objectives Trane has instituted safety programs, procedures and training that incorporate a progressive approach to injury prevention.

PROVEN SAFETY SUCCESS

Trane's safety culture in North America is unparalleled in the building services industry and has demonstrated proven results via continuous reduction of injury rates.

TRANE INJURY RATES V. INDUSTRY COMPETITORS

Since 2003 the US Bureau of Labor Statistics records reflect Trane's Total Recordable Rate (TRIR) and Days away from work (DAFW) rate have been significantly lower than HVAC repair and maintenance contractors and Specialty Trade contractors (construction). Trane's safety culture in America is unparalleled in the building services industry and has demonstrated proven results via continuous reduction of injury rates.

Trane's incident (OSHA) rates are consistently 50-70% below the industry average. This outstanding safety achievement is the end result of the rigorous team oriented approach to our safety program that creates accountability and empowerment in all employees and management and fuels our institutional safety culture. This is the key to our continual improvement.

SAFETY TOOLS, TRAINING & EXPERTISE

Trane's service and contracting technicians are not only among the most skilled in the industry they are also extensively trained in safe work procedures. Our technicians receive safety training, equipment, tools, procedures, and management support to identify jobsite hazards and take appropriate measures to prevent personal injuries. The resources available to Trane technicians include:

- Safety Training – 20 hrs per year, including classroom and web-based platforms.
- -Topics include, but are not limited to, Lockout/Tagout, Confined Space Entry, Hazard Communication, Respiratory Protection, Hearing Conservation, Excavations, Scaffolding, Rigging, Powered Industrial Truck operation, Ladders, Vehicle Safety, Fire Protection, PPE, Emergency Response, First Aid / CPR.
- Electrical Safety – NFPA 70E compliant – electrical PPE; flame-resistant clothing; training.
- Fall Protection – full complement of fall arrest and fall restraint equipment for each technician.
- Ergonomics – custom-designed for HVAC field technicians, includes training, material handling equipment and procedures.
- Smith System Safe Driving Program – Trane's safety Managers are certified instructors; safety Managers train technicians; 1-800 "How's My Driving?" stickers are located on the back of service vehicles.
- USDOT compliance – technicians scheduled within Material of Trade and Hours of Service limits and are fully qualified under Department of Transportation rules for driving commercial motor vehicles with GVWR >10,000 and 26,000 lbs.
- Refrigerant Management – Service technicians are trained to manage refrigerant in accordance with U.S. EPA rules using a sophisticated electronic tracking system developed by Trane.
- Empowerment - Technicians are empowered with full management support to address safety hazards as they see fit. If ever in doubt about how to do a job or task safely, the technician is required to ask a qualified person for assistance before proceeding with work.

MANAGEMENT LEADERSHIP AND COMMITMENT

Accident prevention is a primary responsibility of management at Trane. Trane's safety culture is based on the following management principles:

- Leadership at the local level manages the local organization's safety performance.
- Management is financially accountable for safety performance.
- Local management is actively engaged in risk reduction activities and training and manages safety performance outcomes.
- Management clearly communicates to all Trane employees their safety expectations and strongly enforces compliance with those expectations.
- Employees are held accountable when they fail to meet safety expectations.

Local management and supervisory personnel at the local level are responsible for implementation of the following safety program elements:

- The Safety Management System developed by Trane – developed in accordance with OHSAS 18001.
- Audits and Inspections – Supervisors, Middle and Upper Managers must conduct field inspections. Corporate Safety conducts detailed compliance and management systems audits.
- Company safety compliance programs – ensure that they are fully implemented.
- Safety and environmental performance – tracked using a Balanced Scorecard with leading and lagging indicators and metrics.
- Subcontractor Qualification – implement this process to promote safety and safety plan compliance on multi-employer job sites.
- Six Sigma and Lean – use these productivity tools to enhance safety on job sites.
- Drug and Alcohol Policy – mandatory DOT required for-cause and post-accident testing after recordable injuries and property damage.
- Motor Vehicle Records Search – annual checking of driving records of employees driving company vehicles.

JOBSITE SAFETY EQUALS CUSTOMER VALUE

At Trane safety is part of our culture for every employee. What this means to our customers is fewer job site accidents and the delays and liability concerns that come along with them. What this means to our staff is greater confidence in the practices and procedures they use on the job and the pride that comes from working for one of the premier service organizations in the world. Tighter safety standards and fewer accidents can also lead to better on-time project completion and higher quality results.

When you use Trane Building Services to install, maintain or upgrade your building systems you will take full advantage of our superior safety program, low incident rates and subcontractor safety management procedures. These help you manage project risk more effectively than you could using multiple contractors or even a single prime contractor with a less impressive safety record.

V. Items for Discussion

f. Property & Facilities Items

- v. Eurofins QC LLC – District Wide – Water Testing for Lead Proposal – \$5,005.00



QC

Laboratory Services Quotation

REBECCA LOPEZ
EAT STROUDSBURG AREA SCHOOL DISTRICT
50 VINE STREET

EAST STROUDSBURG, PA 18301

Project LEAD TESTING
Quote # Q180959 AMSM
Quote Date 10-17-18
Expiration Date 12-31-19
Phone -- Ext.
Fax --

Deliverables Format:

Quantity	Matrix	Analysis	Unit Price	Total Price
179	WATER	LEAD	\$20.00	\$3,580.00
9	MISC	SAMPLING - 10 OR LESS PER SCHOOL	\$75.00	\$675.00
6	MISC	SAMPLING - > 10 SAMPLES PER SCHOOL	\$125.00	\$750.00
3 Analyses, Total Quote Amount				\$5,005.00

NOTE: Upgraded deliverables requested after date of sample analysis, subject to surcharge at rate equivalent to two times customary surcharge listed above plus any cost of required re-analysis.

Pricing is subject to Eurofins QC Standard Terms and Conditions attached.

Pricing is based on standard laboratory turnaround. Accelerated turnaround will be subject to surcharge.

Should you have any questions or comments regarding the above or attached please be sure to contact me, Ann Smith, at 215-444-5254. Thank you for considering Eurofins QC for your analytical needs.

Eurofins QC, LLC.

Ann M. Smith
Eurofins QC, LLC.

Ann M. Smith

CLIENT PROJECT AUTHORIZATION:

(Print Name)

(Signature)

(Date)

Accepted: _____

Unless otherwise established in an agreement signed by you and Eurofins QC, LLC. (EQC), laboratory analytical services (sample collection, data analysis and interpretation) provided by EQC to you, the client, are subject solely to the EQC's standard terms & conditions and shall control in the event of any conflict with any other written document. Please see www.eurofinsus.com/QC/terms for a copy of our Terms & Conditions.

General Terms & Conditions of Sale (USA)

1. Area of Application

1.1 All Orders accepted by "Eurofins QC, LLC or any of its subsidiaries or affiliates" (collectively, "EQC") will be governed by these General Terms and Conditions of Sales (the "Terms and Conditions"), including orders placed by telephone which have not been confirmed in writing and orders made by delivery of samples. A contract with these Terms and Conditions comes into being when an order that has been placed with EQC is accepted by EQC. An order placed with EQC is considered as accepted by EQC when (a) EQC proceeds to fulfil that order, without need for any written confirmation from EQC or (b) EQC accepts the order in writing.

1.2 These Terms and Conditions supersede and replace all prior verbal or written price quotations and agreements between the parties and, unless specifically indicated otherwise therein, take precedence over all conflicting or inconsistent provisions of subsequent written agreements between the parties. No officer (other than the Vice President of EQC), employee, agent or subcontractor of EQC has the authority to alter or waive any of these Terms and Conditions or to make any representation which conflicts with or purports to override any of these Terms and Conditions; and no such alteration, waiver or representation shall be binding upon EQC, unless it is in writing and signed by the Vice President of EQC.

2. Placement of Order

2.1 A customer's order will be valid only if it is sent by mail or fax or other electronic message on letterhead of the customer or by using EQC-approved sample dispatch sheets or electronic order forms and the commercial aspects of the order which are not specifically set out in these Terms and Conditions (including price, estimated turnaround times and delivery date) must be agreed at the time of the order. The customer must confirm in writing orders given by telephone immediately after they are made and will be deemed to have placed an order if the customer sends samples to EQC quoting the customer reference. EQC is not obligated to start any analytical work unless the order is clear and it has been provided all required information.

2.2 Unless specifically accepted in writing and signed by the Vice President of EQC, any terms proposed or submitted by a customer at any time (including, but not limited to, terms or provisions in the customer's purchase order, instructions or other document) which differ from these Terms and Conditions are rejected as a material alteration of these Terms and Conditions and shall be of no force or effect. Furthermore, special terms or conditions of prior orders, including special pricing, will not automatically apply to subsequent orders. Each order accepted by EQC will be treated as a separate contract between EQC and the customer.

2.3 EQC is entitled to charge management and administrative fees of up to Twenty Five Dollars (\$25) in connection with the request for additional services to an existing order. A request for additional services on samples that have entered the laboratory will be treated as a new order and may postpone estimated delivery date accordingly.

2.4 Any logistic service off-site of the laboratory must be paid in full, unless it has been cancelled or modified by the customer at least forty eight hours (48) in advance for collection services, ninety six (96) hours in advance for sampling services and one (1) week in advance for auditing services.

3. Price and Terms of Payment

3.1 If the acknowledgment of an order does not state otherwise, EQC's prices apply "ex works", excluding packaging, which is charged separately. Any additional cost or disbursement (e.g. incurred by EQC in connection with the order) must be paid by the customer.

3.2. Prices are exclusive of all applicable taxes (including sales, use and VAT) and are based on tariffs in force at the day of the remittance of the offer to the customer. Applicable taxes are those in force at the date of invoicing.

3.3 Unless specifically agreed otherwise by EQC in its acceptance of an order, payment of all invoices is due strictly within 30 days of the invoice date. Any dispute about invoices must be raised within 30 days of the invoice date. The challenge of an analytical result will not entitle a customer to defer payment. Any invoice which remains outstanding after due date, may be additionally charged with an administrative penalty of Seventy Five Dollars (\$75) and may carry interest at the rate of one percent (1%) per month or the maximum interest rate permitted by applicable law, whichever is lower.

3.4 Invoices are subject to a minimum invoice charge of Fifty Dollars (\$50). EQC has the right to charge an administrative fee of up to Fifteen Dollars (\$15) to re-issue an invoice.

3.5 The invoice settlement method is check, bank transfer or direct debit. Any other method of payment must receive prior agreement from EQC. The customer undertakes to provide bank account details.

3.6 EQC is entitled to require payment of up to 100% of the quoted order price as a condition of acceptance.

4. Duties of Customer in Delivering Samples or Materials

4.1 The samples or materials must be in a condition that makes the preparation of reports/analyses or the production of ordered products possible without difficulty. EQC is entitled to conduct an initial examination of the samples or materials to check their condition before processing the samples, drawing up a report or using them in production. The customer shall bear the costs of this initial examination, if the samples or materials do not comply with the requirements described in this clause 4.1. If the result of the initial examination is that an analysis or production is impossible or is possible only under more difficult conditions than originally anticipated - for example, because the samples or materials have been interspersed with foreign materials or substances that were not reported by the customer or are degraded - EQC shall be entitled to terminate or interrupt the order and the customer shall bear costs incurred by EQC to that point.

4.2 The customer must ensure, and hereby warrants, that no sample poses any danger, including on its site, during transportation, in the laboratory or otherwise to EQC premises, instruments, personnel or representatives. It is the customer's responsibility to insure compliance with hazardous waste regulations, including regarding information, transportation and disposal and to inform EQC personnel or representatives about sample health and safety concerns, including any known or suspected toxic or other contaminant that may be present in the sample and its likely level of contamination as well as the risks to EQC premises, instruments, personnel and representatives

related to the contamination. The customer shall be responsible for, and indemnifies EQC against, all costs, damages, liabilities and injuries that may be caused to or incurred by EQC or its personnel or representatives including on the sampling site, during the transportation or in the laboratory by the customer's sample or by sampling site conditions. The customer shall bear all extraordinary costs for adequate disposal of hazardous waste resulting from the sample, whether or not described as hazardous waste. At EQC's request, the customer must provide EQC with the exact composition of the samples.

5. Property Rights on Sample Material and Sample Storage

5.1 All samples become the property of EQC to the extent necessary for the performance of the order. Unless the customer pays for storage, EQC shall have no obligation or liability for samples sent to EQC for storage, including samples requiring refrigeration. If the customer pays for storage, EQC will take commercially reasonable steps to store the samples, according to professional practice.

5.2 EQC can dispose of or destroy samples immediately after the analysis has been performed, unless EQC and the customer have agreed in writing on the terms of EQC's retention of the sample. EQC also can dispose of or destroy the samples after the agreed upon retention period, without further notice and at customer's cost, should an extra cost for EQC arise to comply with any regulation (for example, with respect to disposal of hazardous waste). If the customer requests the return of unneeded sample material, EQC will return them to the customer, at the customer's cost and risk.

6. Delivery Dates, Turnaround Time

6.1 Delivery dates and turnaround times are estimates and do not constitute a commitment by EQC. Nevertheless, EQC shall make commercially reasonable efforts to meet its estimated deadlines.

6.2 Results are generally sent by email and/or by USPS mail, or via other electronic means, to the attention of the persons indicated by the customer in the order, promptly after the analysis is completed.

7. Transfer of Property

7.1 Title in any analysis results, products, equipment, software or similar supplied by EQC to the customer will remain with EQC until all invoices in respect thereof have been paid by the customer in full, and until such full payment, the customer shall have no property rights or other rights to use them. In addition, even if EQC has accepted and begun to fulfil an order, EQC has the right at any time stop processing that order and to stop doing any work for a customer if that customer is late in paying any amount due to EQC, whether for that or any other order.

7.2 Even after payment in full by the customer, EQC shall retain the right to store, use and publish all analysis results in an anonymous form which does not identify the customer.

8. Limited Warranties and Responsibilities

8.1 Orders are handled in the conditions available to EQC in accordance with the current state of technology and methods developed and generally applied by EQC and the results may not always be 100% exact and/ or relevant. Analyses, interpretations, assessments, consulting work and conclusions are prepared with a commercially reasonable degree of care but EQC cannot guarantee that these will always be correct or absolute. This limited warranty expires six months after the delivery date of the samples, if the acknowledgement of the order does not specifically state otherwise. In all cases, the customer must independently verify the validity of any results, interpretations, assessments and conclusions supplied by EQC, if it wishes to rely on the same in respect of matters of importance and shall do so at its own risk.

8.2 Each analytical report relates exclusively to the sample analyzed by EQC. If EQC has not expressly been mandated and paid for the definition of the sampling plan (including which samples of which raw materials and finished products and at which frequency should be analysed) and the definition of the precise range of analysis to be performed or if the customer has not followed EQC recommendations,

EQC shall not bear any responsibility if the sampling plan and/or the range of analysis to be performed prove to be insufficient or inappropriate.

8.3 The customer is responsible for the proper delivery of samples sent to EQC for examination/analyses or materials sent for production. Unless otherwise specifically agreed in writing by EQC, EQC accepts no responsibility for any loss or damage, which may occur to any sample in transit or to any facility or site where logistics services are being delivered. The customer will at all times be liable for the security, packaging and insurance of the sample from its dispatch until it is delivered to the offices or the laboratories of EQC. EQC will use commercially reasonable care in handling and storing samples, but EQC shall not be held responsible for any loss or destruction of samples even after their receipt at its laboratories.

8.4 The customer warrants and represents to EQC that all samples sent to EQC for analysis are safe and in a stable condition and undertakes to indemnify EQC for any losses, injuries, claims and costs which EQC, or its personnel, may suffer as a result of any sample not being in a safe or stable condition, notwithstanding that the customer may have given an indication on the sample or any order form of any perceived problem with the sample. The customer must always inform EQC in writing prior to shipment and label the packaging, samples and/ or containers appropriately, if the samples are dangerous or otherwise of a hazardous nature.

8.5 Unless explicitly agreed in writing by all parties, the contractual relationship shall be exclusively between the customer and EQC. There shall be no third party beneficiary or collateral warranty relating to any order and the customer shall indemnify and hold EQC harmless from and against any and all third party claims in any way relating to the customer or to the order by the customer.

9. Limitation of Liability

9.1 Except to the extent that such limitations are not permitted or void under applicable law: (a) EQC (together with its workers, office clerks, employees, representatives, managers, officers, directors, agents and consultants and all EQC partners and affiliates, the "EQC Indemnifying Parties") shall be liable only for the proven direct and immediate damage caused by the EQC Indemnifying Party's wilful misconduct in connection with the performance of an order and then, only if EQC has received written notice thereof not later than six (6) months after the date of the customer's knowledge of the relevant claim (unless any longer period is prescribed under applicable law and cannot be contractually limited), and (b) in all cases (whether arising under contract, tort, negligence, strict liability, through indemnification or otherwise), the EQC Indemnifying Parties' liability per claim or series of related claims, and the customer's exclusive remedy, with respect to EQC's services which fall under these Terms and Conditions, shall be limited to the lesser of: (i) the direct and immediate loss or damage caused by the EQC Indemnifying Party's wilful misconduct in connection with the performance of the order and (ii) ten times the amount EQC actually received from the customer in relation to the order up to fifteen thousand dollars (\$15,000).

9.2 The EQC Indemnifying Parties shall not be liable for any indirect, direct or consequential loss or damage (including, but not limited to, loss of business, profits, goodwill, business opportunities or similar) incurred by the customer or by any third party.

9.3 It is a condition of EQC's acceptance of an order that the customer indemnifies the EQC Indemnifying Parties for any losses, injuries, claims and costs which the EQC Indemnifying Parties may suffer as a result of arising from or in any way connected with its role under or services or products or software provided pursuant to these Terms and Conditions, except to the extent that the EQC Indemnifying Parties are required to bear them according to these Terms and Conditions, and by placing an order the customer agrees to provide that indemnification.

10. Repeated Analysis

Objections to test results can be made within thirty (30) days after the customer receives the results. However, unless it would appear that

the results of the repeated analysis do not match those of the first one, the customer shall bear the costs of the repeat testing or review. Furthermore, a repeated analysis will be possible only if EQC has a sufficient amount of the original sample on hand when it receives the customer's objection. Otherwise the customer will be required to pay all costs, including sampling, transportation, analytical and disposal costs for the repeat analysis.

11. Force Majeure

EQC cannot be held liable for delays, errors, damages or other problems caused by events or circumstances which are unforeseen or beyond EQC's reasonable control, or which result from compliance with governmental requests, laws and regulations.

12. Confidentiality & Processing of Customer Data

12.1 EQC shall be entitled to save and process personal or commercial data received from the customer in any way, no matter whether such data stem from the customer directly or from a third party and shall use commercially reasonable efforts to keep such data confidential, in compliance with applicable law.

12.2 EQC shall use commercially reasonable efforts to keep all analysis results and service reports confidential, subject to EQC's rights set forth in clause 7.2 and the right to use them in order to demonstrate its entitlement to payment for services rendered.

12.3 Analysis results are prepared and supplied exclusively for the use of the customer and should not be divulged to a third party for any purposes without the prior written agreement of EQC. In addition, the customer is required to maintain secrecy concerning all services provided by EQC and their results as well as the composition of products and software delivered by EQC. Analysis results are not to be publicly disclosed or exploited without the prior written consent of EQC. Even if such written consent is given by EQC, the customer (a) remains responsible for any consequences due to the divulgence of such results to a third party and any reliance of such third party on

such results and (b) hereby agrees to indemnify the EQC Indemnified Parties against any liability which the EQC Indemnified Parties may incur as a result of such divulgence or any such third party reliance.

13. Disclaimer and Miscellaneous

13.1 ALL TERMS, CONDITIONS AND WARRANTIES (INCLUDING ANY IMPLIED WARRANTY AS TO MERCHANTABILITY QUALITY OR FITNESS FOR A PARTICULAR PURPOSE) AS TO THE MANNER, QUALITY AND TIMING OF THE TESTING SERVICE AND RESULTS, EQUIPMENT, PRODUCTS OR SOFTWARE SUPPLIED BY EQC ARE EXCLUDED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW. THE WARRANTIES, OBLIGATIONS AND LIABILITIES OF EQC CONTAINED IN THESE TERMS AND CONDITIONS ARE EXCLUSIVE.

13.2 These Terms and Conditions may be modified in writing from time to time by EQC and orders will be governed by the most recent version of these Terms and Conditions that is in effect at the time EQC accepts the order.

13.3 Should a court waive, limit or hold to be invalid, illegal or unenforceable any part of these Terms and Conditions, all other parts shall still apply to the greatest extent possible.

13.4 Failure by either EQC or the customer to exercise the rights under these Terms and Conditions shall not constitute a waiver or forfeiture of such rights.

14. Governing Law/ Jurisdiction

14.1 The construction, validity and performance of these Terms and Conditions shall be governed by the laws and the commercial courts of the state of Delaware in which the registered office of the EQC company which accepted the order in question is located (including in cases involving multiple counsels for the defence or third-party respondents), which shall have exclusive jurisdiction.